MINUTES
Pirst Meeting - October 15, 1992

The Task Force Chairman, Sidney Kramer, called the meeting to order at 4:00 p.m. Other Task Force members attending were Delegates Counihan and Rawlings, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Nancy Grasmick, Ronald Kreitner, Kevin Quinn, Eileen Rehrmann, Diane Smith, Robert Swann, Edward Todd, and Martin Walsh. Representatives were present for Treasurer Maurer and Senator Dorman,

The Chairman welcomed the Task Force members and asked them to introduce themselves. He reviewed several administrative matters including the scheduling of Task Force meetings around the State to encourage and enable individuals to provide public comment on matters related to the school construction program. He then welcomed the Governor of Maryland.

### Governor Schaefer's Remarks

The Governor noted that the fiscal problems the State currently faces are monumental and make the Task Force's charge of reviewing the State's public school construction program the toughest charge faced by any preceding school construction task force. He indicated that many of the programs and activities funded by the State have been questioned, and suggested that Task Force members review the justification for the State's continued involvement in the school construction program. He then provided a review of the Task Force's charge asking the members to consider it in light of the ambitious program introduced by Governor Mandel two decades ago that has been modified over the years.

The Governor joined Chairman Kramer in noting that in addition to the State's fiscal problems, the projected enrollment of 120,000 more students by 2001 is the biggest issue in planning the public school construction program.

### Public School Construction Program

Mr. Yale Stenzler, Executive Director of the Public School Construction Program (PSCP), reviewed the organizational structure of the Interagency Committee on School Construction (IAC) with regard to the roles of the Board of Public Works, the Department of Education, the Maryland Office of Planning, and the Department of General Services. He then went through the Rules, Regulations, and Procedures of the PSCP.

Chairman Kramer questioned whether there is a monitoring process over the State/local shared cost formula used to determine the State's share in approved and eligible projects. Mr. Stenzler noted that the IAC checks annually with the Department of Fiscal Services to determine whether the State's share in basic current expense, which is the basis for the current school construction formula, has changed significantly for any jurisdiction. He further noted, in response to Mr. Kramer, that a subdivision or its school board can appeal the State's share if it feels there has been a change.

Mr. Martin Walsh questioned whether full day kindergarten is factored into the project planning and approval process under the PSCP. Mr. Stenzler responded that facilities for full day kindergarten are included in the planning process in counties that have made a commitment to full day kindergarten. The same does not hold true for pre-K facilities since pre-K is not mandated by the State. Mr. Stenzler noted that planning for pre-K facilities is an area that will be addressed by the Task Force.

### School Construction Finance in Maryland

Ms. Anne Ferro, a fiscal analyst with the Department of Fiscal Services, summarized two briefing papers provided to the Task Force: Historic Overview of School Construction Finance; and the Current State/Local Shared Cost Program. Mr. Kramer asked whether there is any program at present that resembles the former General Public School Construction Loan by which subdivisions could access the State's AAA bond rating. The Infrastructure Loan Program, which enables subdivisions to secure a good bond rating by pooling their issues is the only such program available. Ms. Eileen Rehrmann noted that this pool mechanism only works to the advantage of low-wealth subdivisions if the larger jurisdictions participate.

### Other Topics Reviewed

Mr. Stenzler reviewed several items pertaining to local Capital Improvement Program (CIP) requests for FY 93 - FY 98, CIP authorizations and allocations, pupil enrollment projections, and a school facilities inventory, noting that each of these items would be reviewed in more depth as the Task Force proceeds with its charge. He then reviewed the status of the recommendations of the 1987 Task Force on School Construction Finance.

Several questions were raised with regard to forward funded projects, the issue of state-rated capacity, and whether the IAC has any policy concerning the construction of school facilities in- or out- side of a county's "development envelop". A final question concerned the statutory authority of county government to administer the local school construction program in lieu of the school board; that is, could school construction funds be provided directly to county government. Mr. Stenzler replied that under current law, the county school board is the recipient of State school construction funds (Section 5-305, Education Article).

### Other Business

The next meeting was set for Thursday, November 12, 1992 at 2:00 p.m.. At that time, the Task Force will take up the matter of planning for pre-K facilities and facilities for math, science, special education, and technology education into the year 2001.

Chairman Kramer adjourned the meeting at 5:45 p.m.

Respectfully submitted,

Anne Ferro, Task Force staff

### Materials Distributed at 10/15/92 meeting:

Organizational Chart of the IAC

Rules, Regulations, and Procedures for the Administration of the PSCP

Outline of Procedures for a School Capital Improvement Project

Public School Construction Program in Maryland - Historical Background

Overview of Current Public School Construction Program Funding

Summary of CIP Requests and Authorizations, Enrollment, and Allocations

Maryland Public Schools Facilities Inventory - Original and Current

Status of Recommendations of the 1987 Task Force on School Construction

1987 Report of the Task Force on School Construction Finance

Single copies of the materials listed above can be obtained by contacting Ms. Libby Cain or Ms. Anne Ferro at the Department of Fiscal Services, 410-841-3710 or 301-858-3710.

MINUTES

Second Meeting - November 12, 1992

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:10 p.m. Other Task Force Members attending were Senators Blount and Dorman, Delegates Counihan and Rawlings, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Vincent Leggett, Lucille Maurer, Kevin Quinn, Eileen Rehrman, Dianne Smith, Robert Swann, Edward Todd, and Martin Walsh. Staff to the Task Force, Yale Stenzler and Anne Ferro, were also present.

Chairman Kramer reviewed several administrative matters including the future meeting schedule. He solicited comments on the Minutes from the meeting of October 15. There being no comments, the Minutes were adopted.

### Prekindergarten Education

Ms. Joanne Carter, Chief of Language Development and Early Learning at the Maryland Department of Education (MSDE), briefed the Task Force on the role that prekindergarten education plays in helping disadvantaged four-year-olds acquire basic learning skills. The primary conduit of pre-K programs in Maryland is the Extended Elementary Education Prekindergarten program (EEEP) and the federal Head Start program.

With regard to facility needs, Ms. Carter identified the need for roughly 450 additional pre-K facilities by FY 94 to serve all eligible four-year-olds. An eligible student is generally one who lives in the attendance area of a Chapter I school. Prekindergarten education is not mandatory in Maryland. For this reason, facility needs for pre-K programs are ineligible for State school construction funds under current law.

Task Force members raised several questions regarding pre-K enrollment and targeting of services. First, is the goal of EEEP to serve all 4-year-olds in a Chapter I attendance area? The answer was yes, regardless of the individual student's personal situation. Second, what is the total number of 4-year-olds in the State given that the 30,000 identified in the briefing paper represents disadvantaged youth only? Task Force staff will respond to this question at the next meeting.

Several questions were raised regarding the space needs and related cost of an additional 450 pre-K programs. Dr. Yale Stenzler, Executive Director of the Interagency Committee on School Construction (IAC), reviewed a range of facility and funding scenarios and stated that he would provide a copy of this information at the next Task Force meeting.

### Appropriate Facilities for the 21st Century

In response to one of the Governor's charges to the Task Force, Dr. Stenzler presented a paper on the policies, practices, and procedures that are utilized by the PSCP as they pertain to the needs of students, educators, and business into the 21st century. He also distributed the "Report of the Governor's Committee on High School Science Laboratories for the 21st Century."

Delegate Rawlings asked about science lab funding as recommended by the Governor's Committee. The Board of Public Works set aside \$2 million in FY 93 school construction funds for high school science lab renovations. An RFP will be sent out to schools shortly. It is assumed that the State/local shared cost formula used for school construction funding will be applied to awards of the \$2 million. Dr. Stenzler estimates that the \$2 million, leveraged by the local share, will fund 10 to 20 renovation projects. Additionally, funds remaining from the Science Committee activities will be used to revise the MSDE "Guide for Science Facilities" which is out-of-date.

Following this information the Task Force held an extended discussion on the use of uniform, or stock, building design plans for public school construction projects. This would replace the current autonomy school boards have to contract for unique design plans each time a new school is constructed. Dr. Stenzler prepared a paper on this topic for a prior school construction task force. He will provide it to members at the next meeting.

### Forward Funded Projects

The final item on the briefing agenda was an overview of forward funded projects: what is considered forward funded, and what is eligible for reimbursement. Dr. Stenzler clarified that the purpose of the briefing was to provide an update on the issue of forward funded projects; discussion and recommendations on the issue are reserved for a later Task Force meeting.

Several questions were raised regarding counties that had constructed most of the forward funded projects. Delegate Counihan requested a list of all school construction projects that have been forward funded whether or not they received IAC approval. This will be provided at the next meeting.

### **Public Testimony**

Public testimony was provided as follows.

Mr. Jim Bataglia - Southern Maryland Electric Cooperative (SMECO). Mr. Bataglia recommended that the use of energy efficient technologies be encouraged when public school construction funds are awarded. In particular he described geothermal technology and invited Task Force members to make a site visit to view a geothermal system in an office building in Southern Maryland. Staff will pursue this matter and report back to the Task Force.

Dr. Charles Bloom and Mr. Joseph Lavorgna — Charles County Public Schools. Dr. Bloom and Mr. Lavorgna expressed appreciation for the commitment the State has made to public school construction for the past 20 years, particularly with regard to the funding formula which equalizes aid to the poorer jurisdictions. They urged the Task Force to: (1) consider new ways of funding school construction projects; (2) review the school capacity formula to include preschool programs; and (3) consider changing the state-rated capacity to 25:1 instead of 30:1 for elementary schools. Written testimony was provided.

Delegate Stephen Braun and Commission President Thomas "Mac" Middleton - Charles County. Delegate Braun expressed concern over the Governor's charge to the Task Force to "change or modify" the State's role in school construction funding. He emphasized that funding should remain a shared responsibility. Mr. Middleton identified the fiscal constraints that Charles County has faced in order to meet school construction needs and emphasized the importance of the State's continued involvement in funding. Since 1986 Charles County has floated \$15 million in school construction bonds. Developer impact fees, which are collected based on infrastructure needs, have raised \$7 million and thus do not cover all facility construction.

Chairman Kramer asked Dr. Bloom whether Charles County has ever considered a 12-month school year. A discussion on the topic ensued particularly with regard to other states' actions on the matter. A briefing on year-round school is scheduled for the February Task Force meeting.

Mr. Edward V. Cox - St. Mary's County Government. Mr. Cox complimented the accomplishments of the PSCP in Maryland. He asked the Task Force to resist considering any reduction in the level of State involvement in funding school construction. He also indicated that St. Mary's County would present detailed comments to the Task Force at a later date. Written testimony was provided.

Mr. Lloyd Robertson - Calvert County Public Schools and Ms. Sally McGrath - Calvert County Government. Mr. Robertson emphasized Calvert County's support for continued State participation in the public school construction program. He noted that the number of students in Calvert County has grown and is projected to grow rapidly. With regard to the Task Force's charge he noted two areas that are of major interest to the County: (1) including pre-K programs in the school capacity formula; and (2) adjusting the state-rated capacity figure to better reflect actual teaching ratios. Ms. McGrath noted the rapid growth in the County vis a vis the County's Adequate Public Facilities Ordinance. The ordinance has helped control enrollment growth to a certain extent. However, enrollment growth in sections of the County that are not covered is placing a strain on Calvert County's school facilities. Written testimony was provided.

The Board of Commissioners of Calvert County submitted written testimony after the Task Force meeting.

#### Other Business

Chairman Kramer invited Task Force members to let him know of any material they would like to present or have presented; it will be added to the agenda. The next meeting was set for December 17, 1992 at 2:00 p.m. in Baltimore City. At that time, the Task Force will be briefed on facility maintenance, growth management plans, and local fiscal issues.

There being no further business, the meeting was adjourned at 5:10 p.m.

Respectfully submitted.

Anne Ferro, Task Force Staff

### Materials Distributed at Meeting of 11/12/92

### **Briefing Documents:**

Prekindergarten Education - MD State Department of Education

Appropriate Facilities for the 21st Century - IAC

Forward Funded Projects - IAC

### Background Documents:

Look of the Future - Report of the Governor's Committee on High School Science Laboratories for the 21st Century

Model Educational Specifications for Technology in Schools - MSDE

Public Testimony: As Noted

Single copies of the materials listed above can be obtained by contacting Ms. Libby Cain or Ms. Anne Ferro at the Department of Fiscal Services, 410-841-3710 or 301-858-3710.

### MINUTES Third Meeting - December 17, 1992

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:10 p.m. Other Task Force Members attending were Senators Blount and Dorman, Delegates Counihan and Rawlings, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Ronald Kreitner, Vincent Leggett, Lucille Maurer, Kevin Quinn, Dianne Smith, Robert Swann, Edward Todd, and Martin Walsh. A representative was present for Dr. Nancy Grasmick. Staff to the Task Force, Yale Stenzler and Anne Ferro, were also present.

Chairman Kramer reviewed several administrative matters including the future meeting schedule. He solicited comments on the Minutes from the meeting of November 12. There being no comments, the Minutes were adopted.

#### Maintenance of Public Schools

SEP

Dr. Yale Stenzler, Executive Director of the Interagency Committee on School Construction, briefed the Task Force on IAC comprehensive maintenance plan requirements, the method utilized by the IAC to survey local school building maintenance efforts, and the maintenance ratings for the surveys conducted since 1980.

Several questions were raised with regard to the use of facility maintenance records in the approval or disapproval of requests for school construction funds. Dr. Stenzler pointed out that the results of the maintenance surveys are not used for allocating school construction grants, but they do serve as a reliable measure of the effort and commitment of local school boards and county governments to maintaining school facilities.

### State and Local Growth Management Plans

Ms. Barbara Strein from the Maryland Office of Planning reviewed several documents relating to state and local growth management planning vis a vis school construction. Ms. Strein summarized the implications of the recently enacted "Maryland Economic Growth, Resource Protection, and Planning Act of 1992" which will significantly affect the planning and zoning powers of local governments.

The Planning Act is intended to ensure that county and municipal comprehensive plans and publicly funded capital projects follow uniform growth policies. Specifically, the Planning Act mandates that State and local governments cannot approve or construct a state-funded project unless: (1) the project is consistent with the comprehensive plan; or (2) extraordinary circumstances exist and there is no reasonably feasible alternative. These new requirements include school construction projects. The IAC already has in place policies and procedures to comply with the Planning Act.

The Task Force held an extended question and answer period on the conversion of closed schools and unused land to other uses both in terms of the procedures followed by the IAC and the availability of records on schools that have been closed or converted.

Delegate Counihan asked whether the IAC maintains an inventory of closed schools and whether such a list could be useful to the Task Force in its deliberations. He requested Dr. Stenzler and Ms. Strein to compile such a list of closed schools that might be "recoverable", i.e., those that have potential for future growth. This will be provided at a future meeting.

### Overview of State Aid for Education

A briefing on education aid was provided by Ms. Anne Ferro, Department of Fiscal Services. Ms. Ferro identified the major programs of aid to local governments for education purposes and reviewed recent changes that have been made to the aid to education package due to state budget constraints. Included with the briefing paper was a program by program description of the State's education aid package.

Several questions were raised with regard to the validity of the per pupil spending data which is reported by local boards of education to the Department of Education. Treasurer Maurer observed that it is difficult to compare the basic cost data reported by local governments because the method of accounting for certain items varies from county to county. An example used was accounting for school nurses: some counties include this expense under education expenditures, others report it as a public health expenditure.

### Tax Capacity and Effort of Local Governments in Maryland

Ms. Theresa Tuszynski, Department of Fiscal Services, reviewed an analysis of the tax capacity and effort of local governments in Maryland. The Department of Fiscal Services has conducted this analysis annually since 1983.

A number of questions were raised regarding the type of data used in the analysis and whether it fairly represented the taxing and spending practices of Maryland's local governments. Ms. Tuszynski pointed out that the data do not reflect a local government's spending needs and practices or the actual preferences of the local population as regards tax levels and services.

Mr. Ron Bowers, a Task Force member, suggested that one option for an equitable school construction funding formula would be to include a tax effort component provided the data and analysis were reliable.

### Overview of Maryland County Debt

The final item on the briefing agenda was an overview of local debt as reported by local governments to the Department of Fiscal Services annually in the Uniform Financial Reports. Mr. Gene Thomas, senior analyst with the Department of Fiscal Services presented a briefing paper on the issue to the Task Force. In response to the questions, Mr. Thomas clarified that the data reflected local debt outstanding and excluded private corporation debt such as a hospital.

Mr. Kevin Quinn, a Task Force member, followed up the briefing with a discussion of the work that Alex. Brown & Sons has done in the area of local debt financing and analysis. At the request of Task Force staff, he provided copies of "A Reference Guide to Maryland County General Obligation Bonds" compiled each year by Alex. Brown & Sons. He noted that local governments are turning towards debt financing more than in the past but that most counties are still far from testing their legal debt limits. His sense is that most local finance officers have a healthy preoccupation with county debt ratings. Alex. Brown & Sons has performed several debt affordability studies at local request that are available for review by Task Force members. In closing, Mr. Quinn suggested that any substantial shift of additional capital costs to local governments could eventually lead to a downgrading in local bond ratings.

#### Other Business

The Chairman recessed the Task Force at 4:15 p.m. and asked that everyone be back by 6:00 p.m. to hear public testimony. Senator Dorman requested a change in the future meeting times to consolidate briefings and testimony in an afternoon session, even if it means meeting until 6:00 p.m. Chairman Kramer suggested that the times be determined on a meeting by meeting basis, depending upon the length of the public testimony agenda.

The meeting resumed at 6:00 p.m.

### **Public Testimony**

Public testimony was presented as follows. In each case, Chairman Kramer asked whether the particular school board had considered year-round school. Answers to this question varied.

Ms. Ann Briggs - Montgomery County Public Schools. Written testimony was provided.

Mr. Phillip Farfel and Dr. Patsy Blackshear - Baltimore City Public Schools. Written testimony was provided. With regard to year-round schools, the concept has been discussed in the past. One problem is that only a fraction of City schools are air conditioned.

Mr. Ray Wacks/Howard County, Mr. Joe Zimmerman/Queen Anne's County, and Mr. Greg Norris/Anne Arundel County. At the request of Task Force staff, the Maryland Association of Counties organized a panel of finance directors to discuss their respective county's capital debt capacity. Mr. Wacks indicated that 40% of Howard County's current bonding capacity is devoted to school construction, 30% to roads, and the remainder to solid waste, corrections, and so on. He does not think that Howard County can continue to fund its school construction program at current levels given other capital needs. Mr. Wacks reviewed the measurements of debt capacity that Howard County uses to assess its ability to take on more debt.

Mr. Zimmerman distributed a handout that showed the extraordinary enrollment growth that has occurred in Queen Anne's County in recent years. He stressed the difficulty of keeping up with this growth in terms of school facility needs. Queen Anne's County has not considered year-round schools yet.

Mr. Norris distributed a packet of tables indicated Anne Arundel County's capital program, school capacity, and enrollment growth. He too expressed concern over the County's ability to take on more debt under current budget constraints and other pressing capital needs.

There was general Task Force discussion on the testimony. Mr. Quinn asked the members and county representatives to consider the option of a one-time tax dedicated to funding future school construction debt and to consider which tax base could best bear an additional or new tax. He requested that the Task Force explore this tax option further.

Ms. Marilyn Praisner and Mr. Mark Woodard - Maryland Association of Counties. Written testimony was provided.

Mr. Gerald Horst - Carroll County. Mr. Horst indicated that Carroll County's FY 1994 school construction requests of \$52 million equal the total available debt amount identified by the County for all its capital needs. With regard to year-round schools, he indicated that at least one-half of the County's elementary schools do not have air-conditioning. Mr. Horst provided several tables for distribution to the Task Force.

#### Other Business

The next meeting was set for January 21, 1993 at 2:00 p.m. in Queen Anne's County. At that time, the Task Force will be briefed on the State's debt affordability and the FY 1994 capital improvement program requests.

There being no further business, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Anne Ferro, Task Force Staff

### MINUTES Fourth Meeting - January 21, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:05 p.m. Other Task Force members attending were Delegate Gene Counihan, Ronald Bowers, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Nancy Grasmick, Ronald Kreitner, Vincent Leggett, Lucille Maurer, Eileen Rehrmann, Dianne Smith, and Edward Todd. A representative was present for Martin Walsh. Staff to the Task Force, Yale Stenzler was also present.

Chairman Kramer reviewed several administrative matters, including the schedule change which omits the dinner break. The Task Force will have staff briefings from 2 - 4:00 and hear public testimony from 4:00 - 6:00 p.m. He solicited comments on the Minutes from the December 17, meeting. There being no comments, the Minutes were adopted.

Delegate Counihan suggested that an opportunity be arranged for Task Force members interested in visiting some schools. Dr. Stenzler will make arrangements for those who indicate they would like to do so.

### State Debt Affordability

Anne Marie Zalewski from the Department of Fiscal Services briefed the Task Force on the State's capital debt affordability - what it is, the history of it, what the State's outstanding debt is today and the recommendation of the Capital Debt Affordability Committee for Fiscal Year 1994.

The Task Force held an extended discussion on capital leasing as a method for financing capital projects. Dr. Stenzler indicated that one school was built as a lease/lease back project and that all State public school construction requirements had to be met for the project to be eligible for State funding.

### Cost and Impact of the School Construction Program

Dr. Yale Stenzler reviewed the financial impact the School Construction Program has had on the State since its beginning in 1971. The State has assumed local debt for contracts let by the local education agencies for public school construction prior to June 30, 1967 and since July 1, 1971 funded the approved eligible costs for the construction of public schools through debt service obligated by the State.

In response to a question from Chairman Kramer, Dr. Stenzler indicated that any monies received by the State from pro-rata share on sales and/or leases when a former school is sold or leased goes into the bond annuity fund.

### Summary of FY '94 CIP Requests & Interagency Comm. Recommendations

Dr. Yale Stenzler briefed the Task Force on the process for the capital improvement program approval through the Board of Public Works appeals and approval. He also presented a brief summary of the capital improvement program. The full document is available from Dr. Stenzler should any Task Force members want a copy.

In response to questions from Ms. Rehrmann, Dr. Stenzler indicated the list of planning projects is kept in the \$90,000,000 range with the expectation that they will be funded within 1-2 years of receiving planning approval. In general, the IAC allows about 10% of the total public school construction allocation for systemic renovation.

### Public School Construction Questionnaire

A questionnaire will be sent to each State's department of education to find out what other states are doing to fund public school construction. Task Force members were requested to provide any comments on the draft questionnaire to Dr. Stenzler by January 29.

#### House Bill 79

Dr. Stenzler reviewed House Bill 79 which would enable counties to issue bond anticipation notes in anticipation of receiving State funding for public school construction projects. This does not obligate the State to fund the project but does give the local jurisdiction more flexibility in funding school projects.

### Public Testimony

Public testimony was provided as follows:

Robert Rader, Dorchester County Public Schools. Written testimony was provided.

Dr. Joseph Shilling, Queen Anne's County Public Schools. Written testimony was provided. With regard to year round schools, Dr. Shilling indicated that facility utilization would be much greater but he did not expect to save any money. All but two of Queen Anne's County Schools are air conditioned. He would prefer a 200 day school year instead of year round schools.

Archibald A. "Sandy" MacGlashan II, Queen Anne's County Commissioner. Mr. MacGlashan stated that the County's main problem is the growth and the resulting increased infrastructure costs. He also stated that the current 180 day schedule was based on an agrarian society which it no longer is and therefore year round schools must be considered.

William Cotten/John Masone, Talbot County Public Schools. Written testimony was provided. Mr. Cotten will be looking into year round schools but told the Task Force that major constraints to its institution are the lack of air conditioning in the schools and public resistance. Chairman Kramer requested Mr. Cotten convey in writing to the Task Force the results of his review on year round schools.

George Schenck, Caroline County Board of Education/Edwin G. Richards, Caroline County Administrator. Mr. Schenck distributed a handout explaining a program currently used in Delaware which he suggested could be adopted by the State to fund minor capital improvement projects (under \$100,000).

Chairman Kramer indicated the State is already oversubscribed with current projects and the Task Force needs to consider alternative ways of funding.

In response to the question on year round schools Mr. Schenck indicated the need for air conditioning the schools. Dr. Gorsuch also stated many of Caroline County's schools are used throughout the summer for remedial/enrichment work.

Ms. Dianne Smith suggested that since these summer programs are so successful and creative the Task Force should evaluate what is being done in the regular sessions.

Edwin Cole, President, Cecil County Commissioners/Jerry Kunkle, Cecil County Board of Education. Written testimony was provided. Dr. Kunkle stated that only 40% of Cecil County Schools are air conditioned and in those that are, the system has not been engineered to handle the high temperatures of the summer months. In considering year round schools these factors also need to be considered: summer months are used for maintenance projects, many schools are already used in the summer, and the educational impact on children. He feels the longer school day or school year would be better educationally.

Frances Miller, Kent County Board of Education. Written testimony was provided.

James Horn, Somerset County Board of Education. Written testimony was provided. Schools in Somerset County are used for remedial learning during the summer months.

#### Other Business

Dr. Stenzler indicated that a letter will be sent to Task Force members requesting comments on the questionnaire and with information on school tours.

The next meeting will be on February 18, 1993 at 2:00 p.m. in Annapolis. At that time the Task Force will be briefed on year round schools, capital improvement program requests and approved projects, and funding of approved projects based on the current formula.

There being no further business, the meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Barbara Strein

# Fifth Meeting - February 18, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:15 p.m. Other Task Force members attending were Delegate Gene Counihan, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Allan Gorsuch, Ronald Kreitner, Vincent Leggett, Eileen Rehrmann, Dianne Smith, Robert Swann and Edward Todd. Representatives for Arthur Dorman, Lucille Maurer and Martin Walsh were present. Staff to the Task Force, Yale Stenzler, was also present.

Chairman Kramer requested that each Task Force member begin considering recommendations on public school construction to be submitted to the Governor in the final report. He solicited comments on the Minutes from the January 21st meeting. There being no comments, the Minutes were adopted.

### Public School Enrollment Projections

Michel A. Lettre from the Maryland Office of Planning presented an overview of the trends which influence public school enrollment projections. Birth rates, net migration, and public school share of the total enrollment impact projections statewide as well as those for local jurisdictions.

The Maryland Office of Planning is projecting slightly higher than moderate growth through the decade. Continued increases in elementary school enrollments at least through 1997 or 1998 are expected. Secondary school enrollment increases are now beginning to impact and are expected to continue to increase throughout the decade. Statewide growth is occurring in the newer suburban counties which is requiring new schools. Declining enrollments are being seen in the older metropolitan counties which results in the closing of schools. The same phenomenon can be seen within Montgomery County as families move out of the older, developed areas into the new suburbs.

# Public School Enrollments and Capacity Review; Analysis of CIP Requests FY'94 - FY'99; and Potential Funding for Justified Projects Under Current State/Local Shared Cost Formula

Dr. Yale Stenzler, Executive Director of the Public School Construction Program, and Mrs. Barbara Strein, Designee to the IAC from the Maryland Office of Planning, summarized two briefing papers provided to the Task Force. A report on Public School Enrollments and Capacities showed the historical enrollments for each school system (and State totals) by grade organizational clusters for 1970, 1980, 1990 and projections through the year 2000. These figures were compared to existing state rated

capacities and identified additional capacity (for each grade organization cluster) that is being requested through the year 2000. With few exceptions the requests for additional capacity are justified and necessary to meet the projected enrollments through the year 2000.

They also presented the Evaluation FY 1994 through FY 1999 Capital Improvement Program Requests. The review indicated that the total of all requests was \$809,830,000 for FY'94-FY'99, not including \$47 million that has already been approved for the FY'94 CIP. The projects were evaluated and placed in one of the three categories. The results are presented below:

Category	A-Expected to proceed	\$499,515,000
Category	B-Questions, existing or potential	\$189,060,000
Category	C-Should not proceed	\$121,255,000

Dr. Stenzler stated that for each of the next five to six years there are \$80-95,000,000 in eligible project requests in Category A. Mr. Kreitner remarked that many of the projects now evaluated as a "B" could be eligible with the clarification of current questions. Delegate Counihan stated that the number of eligible projects would be more in the \$120,000,000 a year range with the shifting of "B" projects caused by inclusion of pre-K or a change in the state rated capacity.

# House Bill 79 - Discussion and Recommendation to House Appropriations Committee

Dr. Stenzler explained that House Bill 79 authorizes the local jurisdictions to issue bond anticipation notes for school construction projects which have been approved by the Board of Public Works for planning and/or construction but State funding is not available when the project will be bid. In response to questions Dr. Stenzler stated that this would not commit the State to fund the project at any specific time or year. Counties using this interim financing method would do so at their own risk. He stated that a County could be repaid using bond funds if repayment is accomplished within twelve months from the time the contractor is paid. After some discussion the Task Force voted unanimously to support House Bill 79.

### Year-Round Education and Facility Implications

The Task Force heard a presentation from Mr. Charles Ballinger, National Association of Year-Round Education. Over 1.2 million students in 2,048 schools are enrolled in year-round programs. Approximately half of the programs were implemented for the educational value, adopting a year-round calendar with shorter breaks during the school year (four 3 week breaks rather than winter, spring, and long summer breaks). The other half have adopted the year-round school program to increase the utilization

of public school buildings. He gave examples where existing schools increased their utilization by serving 25-50% more students thereby avoiding the necessity to construct new schools. Ballinger provided several handouts which illustrated scheduling schemes used in the implementation of year-round education. General discussion revolved around the mechanics of implementing the program, community reactions, educational value, facility efficiency, and program costs.

Mr. Phillip Gainous, Principal at Montgomery Blair High School, related the advantages and disadvantages of year-round schools based on his experiences as principal of a year-round school in Prince William County, Virginia. Advantages include: savings on capital expenditures, efficient use of buildings, improvement in academic gains, fewer behavior problems, and all involved liked year round schools. Some disadvantages are: burn-out, scheduling of State mandated testing, scheduling building cleaning and maintenance, central office on traditional schedule, and communication with teachers out at intersession. In response to questions from the Task Force, Mr. Gainous indicated that Prince William County ended year-round schools when a building program was begun to provide smaller high schools. The community's initial reaction to year-round schools was negative but after a period of adjustment everyone liked it.

### Public Testimony

Public testimony was provided as follows:

Michael Raible, Anne Arundel County Public Schools. Written testimony was provided.

James E. Kraft, Baltimore County Public Schools. Mr. Kraft stated that Baltimore County has a Utilization of Buildings All Year/180 Committee which is considering the use of buildings all year-round with a 180 day school schedule. The Committee's report is due April 1st; a copy will be sent to the Task Force.

Dr. Ray R. Keech, Harford County Public Schools. Dr. Keech requested the Task Force lower the state rated capacity ratios to better reflect current educational philosophy and practice, be more aggressive in getting funds for renovations, continue the current cost share formula for Harford County, consider State funding of construction managers.

Ms. Carmela Veit, Maryland Congress of Parents and Teachers, Inc.

Written testimony was provided.

Written testimony was submitted by:

Mr. Karl Kirby Pence, Jr., Maryland State Teachers Association Mr. James Clarke, Committee for Montgomery, Inc.

#### Other Business

Dr. Stenzler provided two handouts: State Issued Bonds for Loans to School Systems and School Construction and Asbestos Removal Program - Public Schools.

The Questionnaire on School Construction which was revised in response to suggestions from the Task Force was distributed. It was sent to all State directors in early February with responses due February 22nd. Dr. Stenzler will report on the responses at a future meeting.

The next meeting will be on April 22, 1993 at 2:00 p.m. in Prince George's County. At that time the Task Force will be briefed on funding formula options, forward funding issues and alternatives for reimbursement, and local financing options including "level playing field".

There being no further business, the meeting was adjourned at 5:55 p.m.

Respectfully submitted,

Barbara Strein

BS:cs

### MINUTES Sixth Meeting - April 22, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:10 p.m. Other Task Force members attending were Senator Arthur Dorman, Delegate Gene Counihan, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Nancy Grasmick, Vincent Leggett, Kevin Quinn, Eileen Rehrmann, Dianne Smith, Robert Swann, Edward Todd, and Martin Walsh. Representatives for Ronald Kreitner and Lucille Maurer were present. Staff to the Task Force, Yale Stenzler, was also present.

Chairman Kramer indicated his principal concern is that the Task Force not try to solve the school construction needs simply by recommending additional funding. Although he does agree the program needs more funding, he wants to recommend some innovative concepts to the Governor. He urged the Task Force members to keep these comments in mind as they consider the report to the Governor. Chairman Kramer solicited comments on the Minutes from the February 18th meeting. There being no comments, the Minutes were adopted.

### Energy Conservation - Public Schools

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Barbara Bice, Maryland State Department of Education, presented an overview of the status of energy conservation in the public schools of Maryland. School systems have been reducing energy usage and containing energy costs through operations monitoring, preventive maintenance, lighting retrofitting, building improvements and HVAC system upgrades. Money is being saved by the use of cheaper fuel, ice storage as a system for air cooling, private financing and bulk purchasing from utility companies. Since the Maryland State Department of Education began tracking energy use fourteen years ago, school systems have reduced their energy consumption 32%. The Public School Construction Program supports energy conservation by requiring an energy analysis for all new construction and renovation projects, producing an energy performance index, funding systemic renovation projects such as roof and window replacements, requiring a comprehensive maintenance plan, and conducting maintenance inspections.

In response to a question, Ms. Bice indicated that although the LEAs are ranked on their energy performance, this ranking is not emphasized by the Public School Construction Program. Adjacent counties do compare their rankings and there is "friendly competition."

### Revised Task Force Meeting Schedule

Dr. Stenzler explained that based on comments from the public there is a desire for an opportunity to react to the Task Force recommendations prior to their submission to the Governor.

Therefore, he recommended that the June 24th meeting be set aside for receiving public comment on the draft recommendations. An additional meeting date, July 15th, would be used to finalize the report. After some discussion, the revised schedule was approved. Mr. Bowers stated he hoped that the public session wouldn't be just a criticism of the Task Force. Dr. Stenzler indicated he would send a cover letter sent with the draft recommendations. In it he would emphasize that the Task Force is seeking comments on the recommendations which offer alternatives and innovative ideas.

### State/Local Cost Shared Formula

Dr. Stenzler concisely reviewed the briefing paper provided to the Task Force. The current formula has been in place since 1987 and was based on a three-year average of the State aid as a percent of the Basic Current Expense. A review of this formula for the more recent years and projections for FY'94 and FY'95 would result in an adjustment (+/-) of the State/Local shared cost formula for school construction projects for several jurisdictions.

In response to a question, Dr. Stenzler indicated the Task Force could recommend the current formula be changed to reflect the most current years.

### Results of Public School Construction Questionnaire

Dr. Stenzler summarized the results found in the briefing paper on the questionnaire. Responses from 36 states (72% return rate) show that many states do not fund school construction; of those that do, some states use an equalization formula and some use average daily attendance to allocate funding. Most local funds are generated through bond sales. In response to questions on how Kentucky and Pennsylvania finance school construction, Dr. Stenzler indicated he would contact them.

Data gathered on average class sizes in kindergarten and grades 1-5 showed a range from a low of 16 to a high of 25 for kindergarten and a low of 16 to a high of 28 for grades 1-5. Fourteen states replied that year-round schools were utilized in their states; however, it may be that it is utilized in only 1 or 2 districts in the state. Dr. Stenzler will provide a more detailed breakdown of the responses to the questions on year-round schools. Of the thirty-six states responding, thirteen have lease-lease back arrangements and seven provide funds for pre-K facilities. Delegate Counihan requested a cost benefit analysis on operating year-round schools to include capital and operating costs.

### Public School Finance Programs of the United States and Canada, 1990-91

This survey of all fifty states conducted by this American Education Finance Association and the Center for the Study of the

States contains information on capital outlay and debt service programs. Dr. Stenzler stated that if any member had questions on specific states, staff would contact the State for additional information.

### Alternative Funding Methods - Federal, State, Local

Dr. Stenzler presented highlights from this briefing paper which is a composite of material obtained from the Public School Construction questionnaire and from research. Federal aid, for a variety of reasons, is not a viable alternative. Handicapped accessibility was a one year program; Maryland does not usually qualify for impact aid because of the large size of our school district areas and populations; major disaster assistance has been provided to a few places in Maryland - Frederick, Garrett and Allegany Counties; educational infrastructure programs have been introduced in the Congress but none have passed. There was a brief presentation of the State and local options that are available. Several of the State and local options have or are being utilized in Maryland.

Chairman Kramer then suspended the staff briefings to allow for public testimony from Prince George's County Executive Parris Glendening. Mr. Glendening provided written copies of his testimony. In response to questions from Task Force members, Mr. Glendening made the following points: Prince George's County is eliciting help from the business community to set curriculum and is providing day care in business establishments. The County would like to see the Public School Construction Program place a higher priority on renovation as opposed to building new schools. He does not favor a voucher system allowing students to attend either public or private schools but is in favor of assignment choice. Mr. Glendening stated there is considerable merit to the concept of year-round schools. The decision to implement it should, however, be a local choice supported by the State with funds or with flexibility within the existing funding.

After thanking Mr. Glendening, Chairman Kramer then resumed staff briefings.

# Options for the Funding of Ineligible Public School Construction Costs

Dr. Stenzler briefly reviewed this paper which was written in 1989 by the Interdepartmental Working Committee. It considers some of the mechanisms available to local jurisdictions for capital funding of school construction costs which had to be assumed by school systems as a result of the adoption of the State/local shared cost formula adopted by the Board of Public Works. The recommendation of that Committee was that the school systems work with the counties to utilize the Infrastructure Loan Program. The Board of Public Works approved a policy to provide funding for the cost of insurance for counties that participate in the program for ineligible school construction costs.

### Inventory of Public Schools

This briefing paper provides information on original construction of school facilities square footage by decade and the percentage of square footage constructed by decade. This same data is then adjusted to reflect renovations.

### FY'94 CIP Update

Dr. Stenzler reviewed the CIP program as approved by the Board of Public Works at their April 21, 1993 meeting. The total program is \$87,000,000 for FY'94. In response to a question, Dr. Stenzler indicated that the "richest" county received the most funding because of the great growth in the County.

### Funding Forward Funded Projects

Dr. Stenzler updated the Task Force on this subject which was first presented in November, 1992. The IRS regulations still prevent the State from using any bond money to reimburse forward funded projects. There are about \$15,000,000 in projects which have been approved for planning which require pay-go funds.

### Other Business

Dr. Stenzler distributed copies of two letters to the Task Force - one from MACO concerning their position on year-round schools. The second letter was from Stuart Berger, Superintendent, Baltimore County Public Schools, informing the Task Force that Baltimore County has voted to recommend inclusion of pre-kindergarten in the State Capacity and Space Formula with a rated capacity of 20.

### Public Testimony

Public testimony was provided as follows:

Thomas Hendershot, Chairman, Board of Education, Prince George's County. He stated that the Program has played a critical role over the past 20 years and that State support is appreciated. As the Task Force examines Public School Construction Program he urged it to consider the following:

- it would be a "disaster" if funding is reduced.

Prince George's school system torn between facilities and

funding programs and operating funds.

- present recommendations to the Governor that: 1) strengthen Public School Construction Program; 2) increase latitude on local level; and 3) give the State an expanded role in meeting space needs.

In response to a statement that the Public School Construction Program does not consider the needs of lower staffing required for Milliken II schools, Mrs. Strein stated that the State calculates the capacity of these schools at 20:1 reflecting actual practice which is required by Court order.

Edward Felegy, Superintendent, Prince George's County Public Schools.

Written testimony was provided.

Judy Hoyer, Prince George's County Board of Education. The EEEP and Chapter I programs are expanding rapidly in the County. She urged the support for renovations and new space to support these programs.

Harman Rosenthal, Semmes, Bowen and Semmes. Written testimony was provided.

Rupert Friday, Chesapeake Bay Foundation. Written testimony was provided.

Mike Scott, Intercap Securities, Inc. Written testimony was provided.

There being no further business, the meeting was adjourned at 5:30 p.m.

Respectfully submitted,

Barbara Strein

BS:cs

MINUTES
Seventh Meeting - May 13, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:00 p.m. Other Task Force members attending were Senator Dorman, Delegate Counihan, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Nancy Grasmick, Vincent Leggett, Kevin Quinn, Dianne Smith, Edward Todd, and Martin Walsh. Representatives for Ronald Kreitner and Lucille Maurer were present. Staff to the Task Force, Yale Stenzler, was also present.

Chairman Kramer indicated the Task Force was "on the way home." In today's session facts and findings for each of the charges would be put together. These would form the basis for the recommendations. He solicited comments on the Minutes from the April 22nd meeting: there being no comments, the Minutes were adopted.

#### Task Force Schedule

Dr. Stenzler reviewed the revised schedule for the Task Force. He and his staff will review the facts and findings for each of the charges as put forth by the Task Force today. After culling through the testimony and findings, the staff will make recommendations for each charge. These will be reviewed by the Task Force at the June 3rd meeting. Based on discussions at that meeting, revised draft recommendations will be developed. These will be sent to Task Force members, local superintendents, local governments, facility planners, PTA representatives and other interested parties. The June 24th meeting has been set aside for public comment on the revised draft recommendations. The recommendations will be finalized at the July 15th meeting.

### Public School Construction Questionnaire

Dr. Stenzler reviewed the additional information requested by the Task Force. Data from Pennsylvania, Kentucky and California was acquired from calls to those states. Of the three states only California has year-round-schools and has lease/lease back arrangements; Kentucky is the only one which funds pre-K programs.

A more detailed breakdown on the year-round-school questions was reviewed. The additional information provides the number of districts in a state, the number of students served, the number of elementary school districts, the number of K-12 school districts and the number of students in the smallest and largest districts using year-round-school programs. Dr. Stenzler

highlighted the information provided by California on this subject. A total of 1,511 schools serving 1,315,679 students utilize year-round schools. The percent of public school students enrolled in year-round programs in California has increased from 8% in 1989 to 25% in 1992.

# Baltimore County Executive Summary Report on Utilizing Buildings All Year - 180 Days

Dr. Stenzler indicated that staff has reviewed the findings in this report and that there are questions concerning the cost analysis. Clarification of the calculation used to forecast the operating cost increase has been requested from the County.

There followed a general discussion of the costs of operating year-round schools. Dr. Stenzler indicated we will continue to pursue information on cost analysis; the information will be forwarded to the Task Force when received.

### State Rated Capacity

Barbara Strein, Maryland Office of Planning, reviewed the briefing paper on the state rated capacity for elementary schools. Local education agencies are staffing at lower pupil teacher ratios. Nineteen (19) systems staff kindergarten at 22:1 Twenty-two (22) staff at an average of 25:1 or lower or lower. for grades 1-5/6. Based on the current formula and the requests for additional capacity through FY'99, there is sufficient capacity to accommodate enrollments through the year 2000. the state rated capacity is lowered by about 17% (30 to 25), ten school systems would show a deficit of seats in a comparison of projected enrollments and the proposed capacity through FY'99. Based on 25 students per classroom, those ten systems would need 681 classrooms to house the students. However, there would be no requests for a significant portion of these classrooms as some counties already request projects based on local capacities. Also, the classrooms needed in several counties when spread among the existing elementary schools would not result in a project request. If the state rated capacity is reduced, there would be seventeen (17) more projects in the "A" column (eligible for funding) for an addition of \$43,357,000 to the "A" column. addition, the LEAs may request larger capacity projects which would be justified as a result of lowering the capacity formula. Also, several projects not previously requested may now be requested and justified.

#### Findings and Facts

Dr. Stenzler reviewed each of the eight charges to the Task Force and solicited statements of the findings and facts that had previously been presented to the Task Force during their meetings. The findings and facts will form the basis of the staff recommendations that will be submitted to the Task Force for review, discussion, and revisions at the next meeting.

### Public Testimony

Public testimony was provided as follows:

Barbara Stansberry, Washington County Board of Education Written testimony was provided.

Wayne Gersen, Superintendent, Washington County Public Schools
Written testimony was provided.

Barry Teach, County Administrator, Washington County Mr. Teach stressed the need for all (State and local) to do the best we can to maintain and construct the best school facilities. He offered three suggestions for the Task Force to consider:

- 1. Requests for projects be accompanied by a redistricting study or some other study to justify new construction required by increasing enrollments.
- 2. Hopes the Task Force explores ways to have greater flexibility in the Public School Construction Program to allow for local differences.
- Schools should be looked at as multi-use facilities for the community rather than just for educational purposes.

Michael Subin, County Council, Montgomery County Written testimony was provided.

Timothy L. Firestein, Director of Finance, Montgomery County Written testimony was provided.

H. Philip Rohr, Montgomery County Public Schools Written testimony was provided.

In response to questions from the Task Force, Dr. Rohr indicated that the reuse of architectural plans has saved the County money on architectural/engineering fees, and design improvements. Montgomery County studied the implementation of year-round schools but rejected the concept as they determined the disadvantages outweighed the advantages.

Harold Winstanley, Superintendent, Allegany Public Schools Written testimony was provided.

Dan Gadra, Assistant Superintendent, Frederick County Public Schools
Written testimony was provided.

In response to a question from the Task Force, Dr. Gadra indicated that based on the reports he has read the major reason to go to multi-track year-round schools is the capital savings.

Jim Shaw, Frederick County Planning and Zoning Written testimony was provided.

Jerome Ryscavage, Superintendent, Garrett County Public Schools
Written testimony was provided.

Vernon Smith, Carroll County Public Schools Lester P. Surber, Carroll County Public Schools Written testimony was provided.

Edward Cueman, Carroll County Planning and Zoning
Mr. Cueman spoke to Task Force Charge #6. He indicated that
funding mechanisms must be provided to enable the local
jurisdictions to implement the State's growth policy if the
Planning Act of 1992 is to have credibility. In Carroll
County, if schools can't be funded then the adequate public
facilities ordinance activates a moratorium which has an
economic impact to the County.

Susan Buswell, Maryland Association of Boards of Education Written testimony was provided.

William Brown, Howard County Public Schools Written testimony was provided.

Kevin O'Keeffe, Baltimore City Public Schools Written testimony was provided.

Written testimony was submitted by:

Marie Byers, Commissioner, National Education Commission on Time and Learning

Elmer Kaelin, former president, Potomac Edison Company

Hilda R. Pemberton, Chairwoman, Prince George's County Council

There being no further business, Mr. Kramer thanked the Task Force for their patience and the meeting was adjourned at 6:30 p.m.

Respectfully submitted,

Barbara Strein

BS:reb

# MINUTES Eighth Meeting - June 3, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:20 p.m. Task Force members attending were Senators Blount and Dorman, Delegate Counihan, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Noel Farmer, Allan Gorsuch, Ronald Kreitner, Vincent Leggett, Lucille Maurer, Eileen Rehrmann, Diane Smith, Robert Swann, Edward Todd, and Martin Walsh. A representative for Nancy Grasmick was present. Staff to the Task Force, Yale Stenzler, also attended.

Chairman Kramer solicited comments on the Minutes from the May 13th meeting. There being no comments, the Minutes were adopted. He then reviewed today's agenda which will be to review the draft recommendations. The product of this review will be the basis for the final report and will be sent out to those who have shown an interest in the Task Force proceedings. Public hearings will be held on June 24th and the Task Force will meet on July 15th to finalize the report.

Dr. Stenzler mentioned several procedural items. Task Force members were given copies of the Executive Order extending the original deadline. Also, copies of written testimony from St. Mary's County Board of Education and the Capital Budget Coordinator for Baltimore County were distributed.

Chairman Kramer relayed to the Task Force Delegate Rawlings' regrets that he was unable to attend today's session. Chairman Kramer then shared Delegate Rawlings' comments on the draft recommendations. He indicated he supports funding for forward funded projects previously approved for planning, that all other forward funded projects must meet all Board of Public Works criteria, and recommends funding for school construction at \$80,000,000 annually for the next five years from a combination of general obligation bonds, pay-go, and recycled school construction funds.

# Draft Recommendations for Governor's Task Force on School Construction

The Task Force reviewed the recommendations as presented. There was considerable discussion which resulted in amendments to several recommendations. In addition, other recommendations were added. It was requested that Dr. Stenzler provide the Task Force with a new list of the funding priorities so that it could be discussed. This will be available at the next meeting. Dr. Stenzler will also draft a statement concerning the level of staff support which the IAC may need in order to accomplish the additional work generated by the Task Force recommendations.

Chairman Kramer assured Task Force members that they will have an opportunity to revisit all recommendations before they are finalized. He reiterated the process for producing the final report: staff will rework the draft based on the Task Force comments, the revised document will be mailed to the members and other interested individuals by June 10th. On June 24th the Task Force will hear public testimony on the recommendations. The July 15th meeting will provide an opportunity for the Task Force to again revisit the recommendations in light of the public testimony.

Chairman Kramer commended Dr. Stenzler and his staff as well as the Task Force members for their diligence and attendance at the meetings.

The meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Buliana Strein

Barbara Strein

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### MINUTES Ninth Meeting - June 24, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:15 p.m. Task Force members attending were Senator Dorman, Delegates Counihan and Rawlings, Ronald Bowers, Edward Burger, Winnie Carpenter, Charles Ecker, Allan Gorsuch, Nancy Grasmick, Ronald Kreitner, Vincent Leggett, Lucille Maurer, Eileen Rehrmann, Kevin Quinn, Diane Smith, Robert Swann, Edward Todd, and Martin Walsh. Staff to the Task Force, Yale Stenzler, also attended.

Chairman Kramer began the meeting by calling for public testimony.

### Public Testimony

Copies of the <u>Preliminary Recommendations of the Governor's Task Force on School Construction</u> (6/3/93) had been distributed (6/10/93) to over 150 individuals representing local boards of education, local governments, elected officials, representatives of educational and governmental associations, and other interested parties. Oral and/or written comments, reactions, suggestions, and testimony were solicited.

Public Testimony was provided as follows:

Susan Buswell, Executive Director, Maryland Association of Boards of Education. Written testimony was provided.

Robert Keenan, Agriscience Teacher, Hereford Middle School, Baltimore County Public Schools. Written testimony was provided.

Michael Raible, Director of Planning and Construction, Anne Arundel County Public Schools. Written testimony was provided.

Elaine Franz, Maryland Education Coalition. Written testimony was provided.

John Green, Director of Facilities, Baltimore City Public Schools and Pradeep Dixit, Chief/Mechanical Systems, Baltimore City Public Schools. Written testimony was provided.

Mark Woodard, Maryland Association of Counties. Written testimony was provided.

In addition, letters were received from William Cotten, Superintendent of Talbot County Public Schools, Dr. Terrance A. Greenwood, Superintendent of Worcester County Public Schools and Dr. Stuart Berger, Superintendent of Baltimore County Public Schools.

Chairman Kramer thanked all of those who offered testimony. After a five minute recess the meeting was reconvened at 4:00 p.m.

The Chairman solicited comments on the Minutes from the June 3rd meeting. There being no comments, the Minutes were adopted. He indicated he wanted the Task Force to reach consensus on the recommendations today. The next meeting, July 15th, would be devoted to reviewing the draft report.

# Preliminary Recommendations of the Governor's Task Force on School Construction

The Task Force reviewed the preliminary recommendations which had been amended as a result of the May 13th meeting. Considerable discussion ensued. As a result, the language to some recommendations was altered and amendments were made to others. Two additional recommendations were added. One pertained to public school buildings that were underutilized and the other was related to interim financing for State approved projects that are forward funded by local governments.

Dr. Stenzler distributed draft copies of the Task Force report. He requested that the members review the draft prior to the July 15th meeting when the Task Force will finalize the document.

Chairman Kramer thanked the Task Force members and adjourned the meeting at 6:20 p.m.

Respectfully submitted,

Barbara Strein

BS:cs

### MINUTES Tenth Meeting - July 15, 1993

The Task Force Chairman, Sidney Kramer, called the meeting to order at 2:10 p.m. Task Force members attending were Senators Blount and Dorman, Delegates Counihan and Rawlings, Ronald Bowers, Edward Burger, Winnie Carpenter, Noel Farmer, Vincent Leggett, Lucille Maurer, Eileen Rehrmann, Diane Smith, Robert Swann, and Edward Todd. Representatives for Nancy Grasmick, Ronald Kreitner and Martin Walsh were present. Staff to the Task Force, Yale Stenzler, also attended.

Chairman Kramer stated that the purpose of this meeting was to finalize and approve the revised draft Report of the Governor's Task Force on School Construction that had previously been distributed.

The Chairman solicited comments on the Minutes from the June 24th meeting. There being no comments, the Minutes were adopted.

Prior to beginning the review of the draft report, copies of the following written comments which were received after the last meeting were distributed to the members of the Task Force.

- St. Mary's County Public Schools
- Dr. Charles Ecker, Task Force member
- Montgomery County Government and Board of Education
- State of Maryland Economic Growth, Resource Protection, and Planning Commission
- · Chesapeake Bay Foundation

The Task Force reviewed the draft of the report, including the findings and facts, and the recommendations along with the additional written testimony. The report was reviewed page by page.

The Task Force members discussed the State/local shared cost formula and the current policy which provides 50% - 75% State funding for public school construction projects. They recommend that the current policy remain in effect. They did note, however, that the three year average of the State Share Percentage of Basic Current Expenses for Somerset County exceeds 75%. They therefore recommended that Somerset County's percentage be increased to 80% as a warranted exception to the current policy. Appropriate changes and footnotes to recommendation 2A will be amended into the report.

Barbara Strein

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REPORT

OF THE

GOVERNOR'S

TASK FORCE

ON

SCHOOL CONSTRUCTION



JULY 30, 1993
BALTIMORE, MARYLAND

Md. Y 3. Sc 37 :2/K /993
Maryland. Governor's Task
Force on School
Report of the Governor's

REPORT

OF THE

GOVERNOR'S

TASK FORCE

ON

SCHOOL CONSTRUCTION



Interagency Committee on School Construction 200 W. Baltimore Street Baltimore, Maryland 21201 (410) 333-2500

#### GOVERNOR'S TASK FORCE ON SCHOOL CONSTRUCTION

#### MEMBERSHIP

Mr. Sidney Kramer, Chairperson President, Kramer Enterprises

Senator Clarence W. Blount Chairman, Economic and Environmental Affairs Committee

Mr. Ronald Bowers Vice President Washington County Commissioners

Mr. Edward Burger Senior Vice President Whiting Turner Contracting Co.

Ms. Winnie Carpenter Parent

Delegate Gene W. Counihan Vice Chairman Ways and Means Committee

Senator Arthur Dorman Vice Chairman, Economic and Environmental Affairs Committee

Dr. Charles I. Ecker County Executive Howard County

Dr. Noel T. Farmer, Jr. Superintendent Frederick County Public Schools

Dr. R. Allan Gorsuch Superintendent

Dr. Nancy S. Grasmick State Superintendent of Schools

Mr. Ronald Kreitner Director Maryland Office of Planning

Mr. Vincent Leggett President Anne Arundel Co. Board of Ed.

The Honorable Lucille Maurer State Treasurer

Mr. Kevin Quinn Principal, Alex Brown & Sons

Delegate Howard P. Rawlings Chairman Appropriations Committee

Ms. Eileen M. Rehrmann County Executive Harford County

Ms. Diane Smith Director of Nursing Arcola Nursing & Rehab Ctr.

Mr. Robert Swann Assistant State Comptroller

Mr. Edward Todd President Caroline County Public Schools Todd & Assoc., Inc., Architects

> Mr. Martin W. Walsh, Jr. Secretary of General Services

#### Staff for The Task Force

- Ms. Anne Ferro, Department of Fiscal Services
- Ms. Barbara Strein, Maryland Office of Planning
- Dr. Yale Stenzler, Interagency Committee on School Construction

#### Staff assistance and report preparation

- Mrs. Ruth Baber, Interagency Committee on School Construction
- Ms. Libby Cain, Department of Fiscal Services
- Ms. Carol Larkin, Interagency Committee on School Construction
- Ms. Patty Ludwig, Interagency Committee on School Construction

For information concerning content or for copies of this report, contact:

Interagency Committee on School Construction 200 W. Baltimore Street Baltimore Maryland 21201 (410) 333-2500

## GOVERNOR'S TASK FORCE ON SCHOOL CONSTRUCTION BALTIMORE, MARYLAND

July 30, 1993

The Honorable William Donald Schaefer Governor Executive Department Annapolis MD 21404

Dear Governor Schaefer,

On behalf of the members of The Governor's Task Force on School Construction I am pleased to present this report to you. In the ten months since you established the Task Force we held ten meetings with over half in various parts of the State to obtain information, suggestions, and proposals from representatives of local school systems, local governments, and other interested parties.

The members of the Task Force studied and reviewed each of the eight (8) specific topics you identified. The thirty-nine (39) recommendations presented within the report are arranged under each of these eight subjects and a ninth item was added that pertains to the recommended level of State funding for the School Construction Program.

The implementation of these recommendations should enable the State of Maryland to continue its excellent record of commitment and support for public school construction projects in the 24 school systems. These recommendations address the current and projected needs of our school systems while considering State and local financial resources.

I wish to thank all of the individuals throughout the State who took the time to present testimony to the Task Force which greatly assisted us in our work. I also commend each member of the Task Force for honoring their commitment to this activity and for their participation during the meetings that led to these recommendations.

I want to thank Dr. Yale Stenzler and the other staff members for their willing support of the Task Force. Their knowledge of the history of the State's participation in capital programs and unstinting commitment of time were essential to our deliberations.

We hope that these recommendations will be of assistance to you as the combined efforts and resources of State and local governments continue to provide the highest quality of educational facilities for the children and citizens of our State.

The members of the Task Force are available at your convenience to discuss and review this report and to assist in the implementation of the recommendations.

Respectfully Submitted,

Sidney Kramer, Chairperson Governor's Task Force on School Construction

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#### EXECUTIVE SUMMARY

#### Background

On October 7, 1992 Governor William Donald Schaefer signed Executive Order 01.01.1992.21 which established the Governor's Task Force on School Construction. This 21 member Task Force was charged to conduct an in-depth study and review of the Public School Construction Program. Eight (8) specific areas of study were identified by the Governor in the Executive Order. The Task Force held ten meetings. Six of these meetings were held in different parts of the State to provide opportunities for local boards of education, local governments, and other interested parties to present their concerns, suggestions, and/or proposals for changes and improvements to the Public School Construction Program.

#### Recommendations

The thirty-nine (39) recommendations that follow are based upon the information presented to the Task Force by staff, invited guests, and over 60 individuals and/or organizations that addressed the Task Force. The recommendations are grouped under each of the eight (8) specific areas of study identified by the Governor and a ninth item was added that pertains to a recommended level of State funding for the Public School Construction Program.

- Review the project requests from the 24 local school systems for the next 5-10 year period.
  - The Maryland State Board of Education has established performance standards for all public schools. The Interagency Committee should encourage the planning and funding of projects that enhance and support the implementation of these standards.
  - The Interagency Committee should require each school system to study former school buildings that have been closed due to declining enrollments for their potential reuse as a public school building. This would include former public school buildings that are used for other educational purposes by the board of education and former public school buildings that have been transferred to the local government. In the case of buildings transferred to local government, this analysis should include the fiscal and public service impacts of reuse for public schools, as determined by the local government and the school board.

- The Interagency Committee should require each school system to review for closure, consolidation or redistricting any school which operates at less than 60% of the rated capacity for more than 2 consecutive school years.
- The Interagency Committee should increase the eligible square footage in the Capacity and Space Formula for elementary schools by 5% to provide additional space now required for expanded educational programs and services that were not provided in 1976 when the existing formula was established. It is further recommended that the Interagency Committee should study the square footage requirements for middle schools and high schools.
- The Interagency Committee should establish a new priority category which specifically encourages and supports local school systems to implement State and local educational initiatives through the submission of smaller renovation or addition projects. This would be a new priority #4 for educational initiatives such as: pre-kindergarten, science, technology education, and Maryland School Performance Program projects in "special assistance" schools.
- The Interagency Committee should develop incentives for any school system and county government that jointly adopt a long-term commitment to a year-round school schedule (180 days) or any other scheduling method that enhances educational objectives and decreases the need for additional educational facilities.
- The Interagency Committee should continue its activities and work closely with the Department of General Services, local boards of education, and county governments to develop cost saving techniques and procedures to more efficiently utilize the State and local funds committed to public school construction projects. This includes clearinghouse functions pertaining to the selection of materials, design and construction techniques, contract administration, and preparation of bid documents. Discussions and workshops with architects, engineers, contractors, subcontractors, and school system facility planners to improve the planning, design, and construction process should continue on a regular basis.
- The Interagency Committee should encourage local education agencies and county governments to utilize value engineering and/or construction management to assure that projects are designed and constructed economically without sacrificing functions and capabilities. The Interagency Committee should

participate in these costs. Furthermore, they should develop materials and information which describes the process; suggest criteria for the selection of value engineering consultants; suggest methods of implementation; act as a clearinghouse to share proposals from value engineering consultants and the project architect's response; and identify cost effective and efficient design and construction techniques, supplies, materials, and equipment.

- The Interagency Committee should have legislation introduced to delete <u>Section 5-308 Asbestos Removal</u>
  <u>Fund</u> from the Education Article. The program has not been funded or implemented since passage in 1985.
- 1J The Interagency Committee should continue to review projects for eligibility based upon projected enrollments. This review includes a study of adjacent schools to assure full utilization of all facilities.
- The Interagency Committee and the Maryland Office of Planning should serve as a resource for local governments interested in (a) developing Adequate Public Facilities Ordinances to monitor, direct, and control growth; and (b) Impact Fees to provide funding for capital projects required to meet growth and development.
- 1L The Interagency Committee should continue to fund modular construction projects and enable local boards of education to utilize State owned relocatable classroom buildings.
- 2. Review the State/local shared cost formula.
  - The Board of Public Works should revise the State/local shared cost formula to provide seven funding levels between 50% 70% with 80% as an exception for Somerset County, the only jurisdiction above 75% (50, 55, 60, 65, 70, 75, 80). These figures are based upon the three year average of State funding for Aid to Education Basic Current Expenses for FY'92-FY'94. The new levels should be utilized for Public School Construction Program funding for FY'95-FY'99 and appropriate adjustments made for all school systems. (See the chart on page viii)
  - The Interagency Committee should establish a new priority category for systemic renovation projects. This should be a new priority #5. State funding for systemic renovation projects should be based upon the State/local shared cost formula (equalization factor) rather than the current funding method (percentage) which is related to the age of the system or component being replaced.

The Interagency Committee should continue to provide funding for appropriately financed lease-lease back projects and work with local education agencies and local governments to explore and implement other innovative funding techniques.

#### Chart for Recommendation 2A

#### STATE/LOCAL SHARED COST FORMULA (1)

	Existing	Proposed
Allegany County	65	75
Anne Arundel County	55	50
Baltimore City	75	75
Baltimore County	50	50
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Carroll County	65	65
Cecil County	75	70
Charles County	65	65
Dorchester County	65	70
Frederick County	65	65
Garrett County	75	70
Harford County	65	65
Howard County	50	50
Kent County	55	50
Montgomery County	50	50
Prince George's County	55	60
Queen Anne's County	55	55
St. Mary's County	65	70
Somerset County	75	80 (2)
Talbot County	50	50
Washington County	65	65
Wicomico County	65	70
Worcester County	50	50

- (1) percent State share
- (2) This is an exception to the current policy of 50% 75% State funding for public school construction projects. The three year average of the State Share Percentage of Basic Current Expenses for Somerset County exceeds 75%, and an increase to the next increment is warranted.

- Investigate alternative funding sources for Forward Funded projects.
  - As general funds ("pay-go") become available, the Board of Public Works and the Maryland General Assembly should approve State funding to reimburse the five (5) jurisdictions for the seven (7) forward funded projects which were previously approved for planning by the Board of Public Works and then for those projects which were deferred because of fiscal constraints and were, therefore, not approved for planning.
  - The Interagency Committee with assistance from the Comptroller and the Treasurer should continue to investigate State funding options for reimbursement for forward funded projects that are undertaken in the future within the limitations imposed by Federal laws, rules, and/or regulations.
  - The Interagency Committee should encourage the Maryland General Assembly to adopt legislation which would enable any jurisdiction to undertake interim debt financing for State approved forward funded projects for which State funding may be temporarily unavailable because of State fiscal constraints.
- Review the State Rated Capacity formula for elementary schools.
  - The Interagency Committee should revise the State Rated Capacity (SRC) for elementary schools to more closely reflect actual staffing and class size at the elementary school level. Revise kindergarten from 25 to 22 and grades 1-5/6 from 30 to 25.
- Review the State policies and procedures for funding pre-Kindergarten programs and educational facilities.
  - The Interagency Committee with the approval of the Board of Public Works should revise the Capacity and Space Formula to provide space for pre-kindergarten students in support of the State policy to provide funding for pre-kindergarten classes and programs. The formula should be adjusted to add the following for each space based upon full-time equivalent enrollment:

Pre-Kindergarten : 20

- Review the policies, practices and/or procedures of the Public School Construction Program to assure that all projects comply with State and local growth management plans and policies.
  - 6A The Interagency Committee should require local boards of education to address the adopted Comprehensive Plan of the local jurisdiction in the Educational Facility Master Plan which is submitted annually.
  - The Interagency Committee should require that the local government body as certified by the planning board, commission, or director, as appropriate, provide a written statement as part of the Educational Facility Master Plan which states that the plan is consistent with the adopted Comprehensive Plan of the local jurisdiction.
  - 6C Existing public school buildings should be renovated whenever possible and economical to (a) retain the school building within the neighborhood or community and (b) preserve and enhance prior State and/or local investments. If the Interagency Committee and Board of Public Works determine that a school should be renovated rather than replaced and the local board of education and local government decide to proceed with a replacement school, then the project would not be eligible for State funding in excess of the projected cost of the renovation project.
  - The Interagency Committee should continue to work closely with the Maryland Office of Planning and the Interagency Economic Growth, Resource Protection, and Planning Committee in the review of the local board of education's selection of school sites, project approval, and site development requirements.
  - The Interagency Committee should continue to work with the Department of General Services, the Maryland State Department of Education, and local boards of education to plan, design, construct, and operate energy efficient public school buildings.
- Review the policies, practices and/or procedures of the Public School Construction Program to assure that existing public school buildings are properly maintained by the public school systems and local fiscal authorities.
  - 7A The Interagency Committee should continue to require the submission of a Comprehensive Maintenance Plan with annual updates from local boards of education.

- 7B The Interagency Committee should continue to collect, review, and analyze financial expenditure data for maintenance from the local boards of education. Any concerns or problems should be reported to the Board of Public Works and local government.
- 7C The Interagency Committee should continue to inspect selected public schools each year and report their findings to local boards of education and local governments. The Interagency Committee should continue to require that appropriate corrective action be taken.
- 7D The maintenance of public schools is a local responsibility. State funding for systemic renovation projects should only be provided for critical projects which will extend the useful life of the facility.
- The Interagency Committee should provide funding for small systemic renovation projects costing less than \$100,000 but more than \$50,000. This would enable subdivisions with smaller existing schools to apply for systemic renovation funding. The same criteria and funding formula would apply. This fund source would only be available for a jurisdiction that did not have any requests for projects exceeding \$100,000 in estimated costs. The total amount to be allocated for this purpose in any given year would not exceed \$500,000.
- 7F The Interagency Committee and the Board of Public Works should continue to have the authority to withhold State school construction funds if a specific building or group of buildings are not properly maintained. This action would be taken after the local board of education and local government have been notified.
- 7G The Interagency Committee should continue to serve as a resource for local education agencies providing training and disseminating information that would be beneficial to the local education agencies.
- Review the policies, practices and/or procedures of the Public School Construction Program to assure that the facilities being designed and constructed will meet the needs of students, educators and the business community into the 21st century.

8.

The Interagency Committee should continue to keep abreast of current educational programs and technology changes which would impact on the planning, design, and construction of public school buildings. The IAC should disseminate appropriate information to the local education agencies.

- The Interagency Committee should continue to work closely with the Maryland State Department of Education, local educators, and the business community to review and analyze proposed changes in all fields of study to enable the educational facilities to support students and teachers as they prepare for and enter the 21st century.
- The Interagency Committee, the Maryland State
  Department of Education, and local boards of education
  should work together during the developmental stage of
  educational program changes and new educational
  initiatives to determine the facility implications.
- The Interagency Committee should work closely with the Information Technology Board to investigate the facility implications for public schools and support the State policies, recommendations, and initiatives in this area.
- Review the level of funding that should be recommended for the State Public School Construction Program.
  - Bearing in mind capital debt affordability and the
    availability of general funds, the Governor and the
    Maryland General Assembly should consider increasing
    the funding level to meet public school construction
    needs when (a) adjustments for inflation are warranted,
    (b) improvements in the economy provide surplus funds,
    and/or (c) there is growth in the overall State debt
    affordability limits.
  - 9B The State Public School Construction Program should be funded at a level of at least \$85 million in FY'95 and phased in to a level of at least \$100 million annually over the next five years.
  - 9C The funding authorized should be a combination of new bond authorizations, general funds ("pay-go") and recycled public school construction funds.

#### Introduction

Governor William Donald Schaefer on October 7, 1992 signed Executive Order 01.01.1992.21 which established the Governor's Task Force on School Construction (see Appendix A). The Executive Order was signed in recognition of the following facts:

- (a) Public school enrollment is projected to increase from 720,000 students in 1991 to 855,000 by the year 2001, an increase of approximately 19%, which will require many new schools and/or additions to existing schools throughout the State;
- (b) There are over 106 million square feet of space in the State's public school buildings. Approximately 20 million square were constructed prior to 1960 and represent a significant portion of the aging educational infrastructure; and
- (c) The General Assembly has recognized these conditions and needs, as evidenced by the passage of Joint Resolution 6 of 1992;

Eight (8) specific subjects were identified by the Governor for study and review. Each of these were reviewed separately by the Task Force in briefing sessions and subsequent discussions.

The Task Force had twenty-one (21) members with representatives from the Maryland General Assembly; State government; local government; local boards of education; and private citizens familiar with public education, the construction industry, and financial matters. They represented all parts of the State, small and large school systems, rich and poor subdivisions, and growth and non-growth areas.

On May 21, 1993 Governor Schaefer, in response to a request from Mr. Sidney Kramer, chairperson of the Task Force, signed Executive Order 01.01.1993.14 which provided a one month extension (to July 31, 1993) for the submission of the report of the Task Force. The extension was necessary to obtain public comments, reactions, and responses to the preliminary recommendations developed by the Task Force.

#### Task Force Activities

The Task Force held ten meetings between October 1992 and July 1993. Six of these meetings were held in various parts of the State to enable representatives of local school systems, local governments, educational associations and organizations, and other interested parties to present concerns, ideas, suggestions, and proposals to the members of the Task Force. The Task Force met at the following locations for this purpose:

November 12, 1992 - Charles County
December 17, 1992 - Baltimore City
January 21, 1993 - Queen Anne's County
February 18, 1993 - Anne Arundel County
April 22, 1993 - Prince George's County
May 13, 1993 - Washington County

The Task Force met in open session at each location. The first two hours were devoted to briefings from staff and invited speakers. The second half of the meetings allowed time for other individuals representing local boards of education, local governments, or other interested parties to present oral and/or written testimony to the Task Force. Over sixty individuals availed themselves of this opportunity with at least one presentation from each of the 24 subdivisions. Several representatives from statewide associations and organizations made presentations.

On June 3, 1993 the Task Force met to review a draft of the recommendations prepared by the staff based upon the Findings and Facts that had been identified by the Task Force at their previous meeting (May 13, 1993). These recommendations were reviewed, discussed and revised to reflect the decisions of the Task Force and represent their preliminary recommendations.

The <u>Preliminary Recommendations of the Governor's Task Force on School Construction</u> (6/3/93) were distributed to over 150 individuals in local boards of education, local governments, State government, associations, and organizations, and to other interested parties. They were informed that a public hearing would be held by the Task Force on June 24, 1993 in Annapolis to present comments, reactions, and/or suggestions in response to the preliminary recommendations.

The public hearing was held on June 24, 1993 at which time ten (10) individuals provided oral and/or written comments, reactions, and suggestions. Following the testimony the Task Force reviewed the preliminary recommendations, made revisions, and added two additional recommendations (the new 1C and 3C). A draft of the report was provided to each Task Force member and it, along with the latest revisions to the preliminary recommendations, were scheduled for review at the next meeting.

The final meeting of the Task Force was held on July 15, 1993. The purpose of the meeting was to finalize and approve the revised draft Report of the Governor's Task Force on School

Construction. Prior to initiating this activity copies of the written comments which were received after the last meeting were distributed to the members of the Task Force. The Task Force reviewed the revised draft of the report, including the findings and facts, and the recommendations along with additional written testimony that had been submitted since the last meeting. The report was reviewed page by page.

The Task Force members discussed the State/local shared cost formula and the current policy which provides 50% - 75% State funding for public school construction projects. They recognized, however, that the three year average of the State Share Percentage of Basic Current Expenses for Somerset County exceeds 75%. They, therefore, recommended that Somerset County's percentage be increased to 80% as a warranted exception to the current policy. Appropriate changes and footnotes to recommendation 2A would be amended in the report.

The report of the Governor's Task Force on School Construction was unanimously accepted as amended.

The Chairperson directed the staff to prepare the final report for presentation to the Governor and for distribution throughout the State to local boards of education, local governments, and other interested parties.

#### The Public School Construction Program

The Interagency Committee on School Construction was established by the Board of Public Works in 1971 to administer the State of Maryland's Public School Construction Program. The Interagency Committee operates under the provisions of the Education Article (5-301, 302, 303, 307, and 308) and the Rules, Regulations and Procedures for the Administration of the School Construction Program which are approved and amended by the Board of Public Works.

The program was established to provide State funding for eligible and justified public school construction projects that were approved by the Board of Public Works. The purpose was to:

- (a) provide local property tax relief;
- (b) relieve the subdivisions of the high costs of school construction;
- (c) address the considerable backlog of new construction, renovation, and replacement of schools;
- (d) even out the financial impact through the State assumption of these costs; and
- (e) equalize educational facilities and opportunities throughout the State.

Since the Program's inception in 1971 the State has approved over \$2 billion for school construction projects in the 24 school systems throughout the State. The State, in 1971, also assumed \$755 million of local county debt for school construction projects that were constructed prior to June 30, 1967.

The Interagency Committee on School Construction, in carrying out its responsibilities, requires the submission of three important planning documents for each school system on an annual basis:

- (a) Educational Facilities Master Plan;
- (b) Annual and Five-Year Capital Improvement Program; and
- (c) Comprehensive Maintenance Plan

The Interagency Committee and its staff (from 4 State agencies) is responsible for the many activities related to the approval, planning, design, construction, and funding of public schools in Maryland. The activities include the following:

- (a) review of project justification (scope and capacity);
- (b) establish project budgets and subsequent allocations;
- (c) review and approval or comment on the various architectural design phases;
- (d) approval of the award of construction contracts;
- (e) review of change orders;
- (f) process monthly financial reports;
- (g) authorize cash advances and payments;
- (h) conduct field audits;
- (i) conduct maintenance surveys;
- (j) approve the acquisition of new school sites;
- (k) approve the disposition of surplus schools and/or sites; and
- (1) provide technical assistance.

The Public School Construction Program operates under the Rules, Regulations, and Procedures for the Administration of the School Construction Program. (R,R,&P). During the 22-year life of the Program there have been several task forces and/or committees appointed to examine the Public School Construction Program. The recommendations of these task forces were reviewed and studied by the Board of Public Works. Subsequently, revisions were made to the R,R,&P with input and responses from

local boards of education, local government officials, legislative committees, and other interested parties. The current R,R,&P (dated October 11, 1989) are provided in Appendix B.

#### Information Presented

The Task Force heard presentations on a wide range of subjects related to the planning, design, construction, financing, management, operation, and maintenance of public schools. Presentations were made by the staff based upon research, data collection, and/or review and analysis of existing information. The staff arranged for other presentations from individuals with expertise on the subjects being considered.

Written and/or oral testimony was presented by over 60 individuals during the public hearing portion of the Task Force meetings. Many of their concerns and suggestions were considered by the Task Force and formed the basis of the Task Force recommendations.

Several excerpts from the materials presented to the Task Force can be found in the Appendices. These documents reflect the diverse nature of the subject matter reviewed and they are directly related to the Findings and Facts and the Task Force Recommendations.

#### Options and Conclusions

The major issues that the Task Force was directed to consider were (1) the role and responsibility of the State for funding public school construction and capital improvements; (2) if there is a State responsibility, what level of funding should be provided; and (3) how should the Program be modified and/or revised to best serve the children and citizens of the State.

The Task Force endorses the continuation of the Public School Construction Program based upon the initial objectives. They recommend that a significant additional objective be added which is to encourage and support other State policies and initiatives. These initiatives should include but are not limited to the following:

- (a) educational programs and services
- (b) employment and training
- (c) energy conservation
- (d) growth management

The options for the role of the State in the Public School Construction Program and funding levels which were considered by the staff and presented to the Task Force are identified below.

There are four (4) major categories with a total of ten (10) basic options.

#### Options

I Abolish the State Public School Construction 1 Program II Decrease the level of State-wide funding Maintain existing State/local shared cost 2 formula (50-75%) Decrease the State share for each project 3 (b) Increase the State share for each project (C) Maintain existing level of State-wide funding (\$60 million) Maintain existing State/local shared cost 5 formula (50-75%) Decrease the State share for each project 6 (b) Increase the State share for each project (C) Increase the level of State-wide funding (a) Maintain existing State/local shared cost 8 formula (50-75%) Decrease the State share for each project 9 (b) Increase the State share for each project 10 (C)

The Task Force believes that option 8(a) best reflects their position based upon their study and review of the material and information that was presented to them. This position is evidenced by the specific language and text in the Findings and Facts with Recommendations section that follows.

#### Findings and Facts with Recommendations

The thirty-nine (39) recommendations which follow recognize a State role and responsibility for funding public school construction projects to address the requirements and needs of children and citizens of Maryland. The Task Force Findings and Facts with their Recommendations are presented under each of the eight (8) areas identified for study in the Governor's Executive Order which established the Task Force. A ninth item was added pertaining to a recommended level of State funding.

The funding for public school construction projects, whether for new schools, additions, and/or renovations can only be accomplished with cooperative efforts among the State, local governments, and local boards of education. The children of this state and its citizens benefit and prosper through these collaborative efforts.

Examine the identified project requests from the 24 local educational agencies and evaluate their requirements for the first 5 years and the 10-year period through the year 2001. This would include requests for new schools, renovations, additions, and systemic renovations (roofs, boilers, etc.). This review should include a study of former public school facilities that had been closed which would be reopened to serve increasing enrollments.

#### Findings and Facts:

- Public school enrollments (K-12) are projected to increase by 155,000 students between 1991 and the year 2001. New schools and/or additions have been requested by most school systems to accommodate these students.
- Existing space in the State's public schools is aging. Currently there is approximately 110 million square feet of space. Over 17 million square feet (16%) were built or renovated prior to 1960 and are now at least 30 years of age. By the year 2000 there will be approximately 50 million square feet of space built prior to 1970 that will be over 30 years old. Many of these buildings will need major renovations to meet current and anticipated educational requirements.
- Existing building systems roofs, boilers, chillers, mechanical systems, electrical systems, etc. are continuing to age and will need replacement.
- A review of the annual and five-year capital improvement program for FY'94-FY'99 (after subtracting the projects funded in the FY'94 CIP \$87 million) yields the following:

"A" projects - expected proceed \$460 million
"B" projects - questions, existing or potential \$189 million
"C" projects - should not proceed \$121 million

The increased utilization of public school buildings through the implementation of year-round-school programs (i.e., 45-15) can eliminate and/or reduce construction costs. Several factors that should be studied prior to implementation include - program offerings, scheduling of students, community acceptance, air conditioning of schools, cost benefit analysis, alternative time for teacher training, programs and activities for students when not in school, and child care arrangements.

There are existing public schools that were closed and/or declared surplus during the decline in enrollments in the 1970's and 80's which may be available for reacquisition or reopening as a public school.

#### Recommendations:

- The Maryland State Board of Education has established performance standards for all public schools. The Interagency Committee should encourage the planning and funding of projects that enhance and support the implementation of these standards.
- The Interagency Committee should require each school system to study former school buildings that have been closed due to declining enrollments for their potential reuse as a public school building. This would include former public school buildings that are used for other educational purposes by the board of education and former public school buildings that have been transferred to the local government. In the case of buildings transferred to local government, this analysis shall include the fiscal and public service impacts of reuse for public schools, as determined by the local governments and the school board.
- The Interagency Committee should require each school system to review for closure, consolidation or redistricting any school which operates at less than 60% of the rated capacity for more than 2 consecutive school years.
- The Interagency Committee should increase the eligible square footage in the Capacity and Space Formula for elementary schools by 5% to provide additional space now required for expanded educational programs and services that were not provided in 1976 when the existing formula was established. It is further recommended that the Interagency Committee should study the square footage requirements for middle schools and high schools.
- The Interagency Committee should establish a new priority category which specifically encourages and supports local school systems to implement State and local educational initiatives through the submission of smaller renovation or addition projects. This would be a new priority #4 for educational initiatives such as: pre-kindergarten, science, technology education, and Maryland School Performance Program projects in "special assistance" schools.

- The Interagency Committee should develop incentives for any school system and county government that jointly adopt a long-term commitment to a year-round school schedule (180 days) or any other scheduling method that enhances educational objectives and decreases the need for additional educational facilities.
- The Interagency Committee should continue its activities and work closely with the Department of General Services, local boards of education, and county governments to develop cost savings techniques and procedures to more efficiently utilize the State and local funds committed to public school construction projects. This includes clearinghouse functions pertaining to the selection of materials, design and construction techniques, contract administration, and preparation of bid documents. Discussions and workshops with architects, engineers, contractors, subcontractors, and school system facility planners to improve the planning, design, and construction process should continue on a regular basis.
- The Interagency Committee should encourage local 1H education agencies and county governments to utilize value engineering and/or construction management to assure that projects are designed and constructed economically without sacrificing functions and capabilities. The Interagency Committee should participate in these costs. Furthermore, they should develop materials and information which describes the process; suggest criteria for the selection of value engineering consultants; suggest methods of implementation; act as a clearinghouse to shareproposals from value engineering consultants and the project architect's response; and identify cost effective and efficient design and construction techniques, supplies, materials, and equipment.
- The Interagency Committee should have legislation introduced to delete <u>Section 5-308 Asbestos Removal</u>
  <u>Fund</u> from the Education Article. The program has not been funded or implemented since passage in 1985.
- The Interagency Committee should continue to review projects for eligibility based upon projected enrollments. This review includes a study of adjacent schools to assure full utilization of all facilities.
- 1K The Interagency Committee and the Maryland Office of Planning should serve as a resource for local governments interested in (a) developing Adequate Public Facilities Ordinances to monitor, direct, and control growth; and (b) Impact Fees to provide funding for capital projects required to meet growth and development.

- 1L The Interagency Committee should continue to fund modular construction projects and enable local boards of education to utilize State owned relocatable classroom buildings.
- Review and examine funding sources and the State/local shared cost formula which was established in 1987. Consider alternative methods of funding or a formula which takes into consideration the financial condition and ability of State and local governments.

#### Findings and Facts:

- . The State/local shared cost formula adopted by the Board of Public Works in 1987 utilizes the Basic Current Expense education aid formula. State funding varies from 50 percent (for the wealthiest school systems) to 75 percent (for the poorer school systems).
- . The formula attempts to equalize with 50 percent as the base.
- . The relative wealth of several jurisdictions has changed since the State/local shared cost formula was adopted in 1987.
- State General Obligation Bonds are the source of funding for public school construction projects. State funding for school construction comes within the total annual capital State debt affordability.
- Local governments have been assuming a greater portion of school construction costs since the mid-1970's.
- . The Board of Public Works modified the <u>Rules</u>, <u>Regulations</u>, <u>and Procedures</u> to enable State funding for lease-lease back public school construction projects.

#### Recommendations:

- The Board of Public Works should revise the State/local shared cost formula to provide seven funding levels between 50% 75% with 80% as an exception for Somerset County, the only jurisdiction above 75% (50, 55, 60, 65, 70, 75, 80). These figures are based upon the three year average of State funding for Aid to Education Basic Current Expenses for FY'92-FY'94. The new levels should be utilized for Public School Construction Program funding for FY'95-FY'99 and appropriate adjustments made for all school systems. (See the following chart.)
- The Interagency Committee should establish a new priority category for systemic renovation projects. This should be a new priority #5. State funding for

systemic renovation projects should be based upon the State/local shared cost formula (equalization factor) rather than the current funding method (percentage) which is related to the age of the system or component being replaced.

The Interagency Committee should continue to provide funding for appropriately financed lease-lease back projects and work with local education agencies and local governments to explore and implement other innovative funding techniques.

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Dorchester County	65	70
Frederick County	65	65
Garrett County	75	70
Harford County	65	65
Howard County	50	50
Kent County	55	50
Montgomery County	50	50
Prince George's County	55	60
Queen Anne's County	55	55
St. Mary's County	65	70
Somerset County	75	80 (2)
Talbot County	50	50
Washington County	65	65
Wicomico County	65	70
Worcester County	50	50

- (1) percent State share
- (2) This is an exception to the current policy of 50% 75% State funding for public school construction projects. The three year average of the State Share Percentage of Basic Current Expenses for Somerset County exceeds 75%, and an increase to the next increment is warranted.

Investigate alternatives which could provide State reimbursement for eligible projects that have been forward funded by local governments. Currently, these projects must be reimbursed from operating budget funds (pay-go).

#### Findings and Facts:

- . There are seven (7) forward funded projects in five (5) school systems that total approximately \$16 million which were previously approved for planning by the Board of Public Works.
- There are approximately \$51,318,000 worth of forward funded projects which meet eligibility requirements which were deferred due to fiscal constraints. An additional \$25,015,000 in projects are anticipated to be eligible for funding in a future fiscal year as enrollments increase.
- . Some counties may continue to forward fund projects.
- . State General Obligation Bonds cannot be utilized to reimburse a local board of education for forward funded projects that have been constructed and occupied.
- . Pay-go funds in the operating budget for capital projects could be used for the reimbursement of forward funded projects.

#### Recommendations:

- 3A As general funds ("pay-go") become available, the Board of Public Works and the Maryland General Assembly should approve State funding to reimburse the five (5) jurisdictions for the seven (7) forward funded projects which were previously approved for planning by the Board of Public Works and then for those projects which were deferred because of fiscal constraints and were, therefore, not approved for planning.
- 3B The Interagency Committee with assistance from the Comptroller and the Treasurer should continue to investigate State funding options for reimbursement for forward funded projects that are undertaken in the future within the limitations imposed by Federal laws, rules, and/or regulations.
- 3C The Interagency Committee should encourage the Maryland General Assembly to adopt legislation which would enable any jurisdiction to undertake interim debt financing for State approved forward funded projects for which State funding may be temporarily unavailable because of State fiscal constraints.

Review the formula for calculating the State Rated Capacity (SRC) for elementary schools. The SRC is utilized by the Public School Construction Program (PSCP) to determine the eligibility of projects and the justification for State funding. Any recommended changes should consider the educational and fiscal impact.

#### Findings and Facts:

- The existing SRC for elementary schools is:
  Kindergarten: 25
  Grades 1-5/6: 30
- . The State Rated Capacity (SRC) for elementary schools does not reflect the current class size practices in Maryland public elementary schools.
- A review of the data gathered pertaining to current class size is as follows:

Kindergarten:

19 school systems have an average class size of 22 or less

Grades 1-5/6

22 school systems have an average class size of 25 or less

- Reducing the SRC for kindergarten to 22 and grades 1-5/6 to 25 would shift 17 projects that total \$43 million from categories "B" or "C" to the "A" category.
- Reducing the SRC will result in requests for projects with larger capacities. Projects not previously requested by the local education agency may now be requested and justified.

#### Recommendation:

4A The Interagency Committee should revise the State Rated Capacity (SRC) for elementary schools to more closely reflect actual staffing and class size at the elementary school level. Revise kindergarten from 25 to 22 and grades 1-5/6 from 30 to 25.

Review State policies and procedures that pertain to the funding of pre-kindergarten classes, and the educational facilities that are or should be provided. Any recommended changes should consider the educational and fiscal impact.

#### Findings and Facts:

- . The pre-kindergarten program is a State initiative that began several years ago.
- State funds have not been provided for capital projects for pre-K students.
- . There are approximately 12,000 pre-K students in 23 school systems and an additional 15,000 students could be phased-in over the next few years.
- State funding for facilities for 12,000 pre-K students would range from \$17 million to \$28 million (additions vs. new schools).

#### Recommendation:

The Interagency Committee with the approval of the Board of Public Works should revise the Capacity and Space Formula to provide space for pre-kindergarten students in support of the State policy to provide funding for pre-kindergarten classes and programs. The formula should be adjusted to add the following for each space based upon full-time equivalent enrollment:

Pre-Kindergarten : 20

Review the policies, practices and/or procedures that are utilized by PSCP to assure that all projects comply with State and local growth management plans and policies.

#### Findings and Facts:

- . The Public School Construction Program has policies and procedures in place for reviewing and approving projects to determine if they are consistent with State and local growth management plans and policies.
- Educational Facility Master Plans, prepared and submitted by local education agencies, are required to be consistent with State and local growth management plans and policies.

- . The Public School Construction Program has policies and procedures in place for reviewing new sites for public schools to determine if the sites are consistent with State and local growth management plans and policies.
- . The current policies, practices, and procedures of the Public School Construction Program support and encourage energy conservation in State funded public school projects.
- . The Public School Construction Program has and continues to develop interagency cooperation and coordination of reviews and applications by other State agencies.

#### Recommendations:

- 6A The Interagency Committee should require local boards of education to address the adopted Comprehensive Plan of the local jurisdiction in the Educational Facility Master Plan which is submitted annually.
- 6B The Interagency Committee should require that the local government body as certified by the planning board, commission, or director, as appropriate, provide a written statement as part of the Educational Facility Master Plan which states that the plan is consistent with the adopted Comprehensive Plan of the local jurisdiction.
- 6C Existing public school buildings should be renovated whenever possible and economical to (a) retain the school building within the neighborhood or community and (b) preserve and enhance prior State and/or local investments. If the Interagency Committee and Board of Public Works determine that a school should be renovated rather than replaced and the local board of education and local government decide to proceed with a replacement school, then the project would not be eligible for State funding in excess of the projected cost of the renovation project.
- 6D The Interagency Committee should continue to work closely with the Maryland Office of Planning and the Interagency Economic Growth, Resource Protection, and Planning Committee in the review of the local board of education's selection of school sites, project approval, and site development requirements.
- 6E The Interagency Committee should continue to work with the Department of General Services, the Maryland State Department of Education, and local boards of education to plan, design, construct, and operate energy efficient public school buildings.

Review the policies, practices and/or procedures that are utilized by PSCP to assure that existing public school buildings are properly maintained by the public school systems and local fiscal authorities.

#### Findings and Facts:

- . The Public School Construction Program requires the annual submittal of a Comprehensive Maintenance Plan or update from each local education agency.
- . The Public School Construction Program requires the annual submittal of financial data for maintenance expenditures.
- . The Public School Construction Program conducts a maintenance inspection of a sampling of public schools in all school systems throughout the State each year.
- Since 1986 the Public School Construction Program has provided funding for systemic renovation projects which replace (through capital improvements) building systems that have outlived their useful life.
- Some school systems with smaller school buildings are unable to qualify for a systemic renovation project since the estimated cost for the work would not exceed \$100,000, the minimum level for qualification.

#### Recommendations:

- 7A The Interagency Committee should continue to require the submission of a Comprehensive Maintenance Plan with annual updates from local boards of education.
- 7B The Interagency Committee should continue to collect, review, and analyze financial expenditure data for maintenance from the local boards of education. Any concerns or problems should be reported to the Board of Public Works and local government.
- 7C The Interagency Committee should continue to inspect selected public schools each year and report their findings to local boards of education and local governments. The Interagency Committee should continue to require that appropriate corrective action be taken.
- 7D The maintenance of public schools is a local responsibility. State funding for systemic renovation projects should only be provided for critical projects which will extend the useful life of the facility.

- The Interagency Committee should provide funding for small systemic renovation projects costing less than \$100,000 but more than \$50,000. This would enable subdivisions with smaller existing schools to apply for systemic renovation funding. The same criteria and funding formula would apply. This fund source would only be available for a jurisdiction that did not have any requests for projects exceeding \$100,000 in estimated costs. The total amount to be allocated for this purpose in any given year would not exceed \$500,000.
- 7F The Interagency Committee and the Board of Public Works should continue to have the authority to withhold State school construction funds if a specific building or group of buildings are not properly maintained. This action would be taken after the local board of education and local government have been notified.
- 7G The Interagency Committee should continue to serve as a resource for local education agencies providing training and disseminating information that would be beneficial to the local education agencies.
- Review the policies, practices and/or procedures that are utilized by the PSCP to assure that the facilities being designed and constructed for such programs as science, mathematics, career and technology education, special education, and the inclusion of instructional technology in the public schools will meet the needs of students, educators and the business community into the 21st century.

#### Findings and Facts:

- . The Public School Construction Program works closely with the Maryland State Department of Education and local education agencies to obtain information and support the design and construction of public schools that will meet current and projected requirements for educational programs and services.
- The Public School Construction Program encourages and supports a participatory planning process for each project which includes representatives from the business, industrial, scientific and technological community.
- The Public School Construction Program encourages the design of public school buildings which support their shared use and/or extended use with other governmental, community, and business entities.

#### Recommendations:

- 8A The Interagency Committee should continue to keep abreast of current educational programs and technology changes which would impact on the planning, design, and construction of public school buildings. The IAC should disseminate appropriate information to the local education agencies.
- 8B The Interagency Committee should continue to work closely with the Maryland State Department of Education, local educators, and the business community to review and analyze proposed changes in all fields of study to enable the educational facilities to support students and teachers as they prepare for and enter the 21st century.
- 8C The Interagency Committee, the Maryland State Department of Education, and local boards of education should work together during the developmental stage of educational program changes and new educational initiatives to determine the facility implications.
- 8D The Interagency Committee should work closely with the Information Technology Board to investigate the facility implications for public schools and support the State policies, recommendations, and initiatives in this area.
- Review the level of funding that should be recommended for the State Public School Construction Program.

#### Findings and Facts:

- State funding for public school construction projects is competing with a wide variety of State and local projects for limited State capital funding.
- Approximately 60 percent of all funds authorized by the Maryland General Assembly for capital projects during the past twenty-two years were for non-State owned facilities.
- Of all the funds authorized for non-State owned facilities, half (30 percent) went to local boards of education for public school construction projects. This figure is \$2 billion and does not include interest payments to repay the General Obligation Bonds.
- The State, in 1971, assumed \$755 million of outstanding local bond debt for public schools constructed prior to June 30, 1967. This debt is almost completely retired (\$5 million outstanding principal and interest) with a final payment due in 1998.

A review of the annual and five-year capital improvement program for FY'94-'99 indicates there are \$460 million in "A" projects (expected to proceed). Lowering the State rated capacity formula for elementary schools shifts \$43 million of "B" and "C" projects to the "A" category. The funding of pre-kindergarten space would add approximately \$45 million for projects to accommodate 24,000-27,000 students.

#### Recommendations:

- 9A Bearing in mind capital debt affordability and the availability of general funds, the Governor and the Maryland General Assembly should consider increasing the funding level to meet public school construction needs when (a) adjustments for inflation are warranted, (b) improvements in the economy provide surplus funds, and/or (c) there is growth in the overall State debt affordability limits.
- 9B The State Public School Construction Program should be funded at a level of at least \$85 million in FY'95 and phased in to a level of at least \$100 million annually over the next five years.
- 9C The funding authorized should be a combination of new bond authorizations, general funds ("pay-go") and recycled public school construction funds.

#### Concluding Statements

The members of the Task Force believe that the recommendations presented above have had wide distribution in their preliminary form with limited comments for changes or major revisions. In fact there is broad based support for them. Their acceptance and implementation should therefore proceed as soon as possible.

The Task Force encourages implementation of these recommendations to be applied to new projects which will be submitted in the FY'95 Public School Construction Capital Improvement Program. Projects with prior planning approval should continue to be funded under the current formula.

The members of the Task Force are prepared to assist in the activities required to implement any and all of the recommendations.

As plans are developed to implement these recommendations, consideration should be given to the impact on staffing and the operational budget requirements of each agency that supports the Public School Construction Program.

The Task Force acknowledges and expresses its appreciation to the staff of the Task Force and assistance provided by the staff of the Interagency Committee on School Construction and the Department of Fiscal Services. They worked diligently to assist the members of the Task Force in the fulfillment of their responsibilities. They provided the necessary support for the Task Force to function efficiently and effectively.

#### APPENDICES

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# Executive Department

### EXECUTIVE ORDER 01.01.1992.21

#### Governor's Task Force on School Construction

WHEREAS,
The State of Maryland established the State Public School
Construction Program in 1971 to provide financial assistance to local

boards of education for the construction and renovation of public school buildings;

school buildings;

WHEREAS, The State of Maryland has provided in excess of \$1.9 billion for this

purpose;

WHEREAS, The State of Maryland has also relieved local jurisdictions of \$750

million in fiscal obligations for schools constructed prior to June 30,

1967;

WHEREAS, The public school enrollment is projected to increase from 720,000

students in 1991 to 855,000 by the year 2001, an increase of approximately 19%, which will require many new schools and/or

additions to existing schools throughout the State;

WHEREAS, There are over 106 million square feet of space in the State's public

school buildings, and approximately 20 million square feet were constructed prior to 1960 and represent a significant portion of the

aging educational infrastructure;

WHEREAS, Identified and projected educational facility needs will exceed the

anticipated State and local funding under the current formula, which

was adopted by the Board of Public Works in 1987; and

WHEREAS, The General Assembly has recognized these conditions and needs, as

evidenced by the passage of Joint Resolution 6 of 1992;

NOW, THEREFORE, I, WILLIAM DONALD SCHAEFER, GOVERNOR OF THE

STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, HEREBY PROCLAIM THE FOLLOWING

EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

A. There is a Governor's Task Force on School Construction.

- B. Membership and Procedures of the Governor's Task Force on School Construction.
- (1) The Task Force shall consist of 21 members appointed by the Governor, with representation from every region of the State, and shall include:
- (a) 2 members of the Senate of Maryland, nominated by the President of the Senate;
- (b) 2 members of the House of Delegates, nominated by the Speaker of the House;
  - (c) The State Treasurer;
  - (d) The State Superintendent of Schools;
- (e) The Director of the Maryland Office of Planning;
  - (f) The Secretary of General Services;
- (g) 3 local school superintendents or local board of education representatives;
- (h) 4 representatives of local governments or individuals familiar with local government operations and procedures; and
- (i) 6 members from the public at large including individuals familiar with the construction industry or State and local financial matters.
- (2) The Governor shall appoint the Chairperson from the members of the Task Force.
- (3) The Governor may remove any member of the Task Force for any cause adversely affecting the member's ability or willingness to perform his or her duties.
- (4) In the event of a vacancy on the Task Force, the Governor shall appoint a successor.
- quorum for the transaction of any business. The Task Force may

adopt such other procedures necessary to ensure the orderly transaction of business.

- (6) The Chairperson may appoint subcommittees as necessary to study specific issues of the Task Force.
- (7) The members of the Task Force may not receive compensation for their services, but may receive reimbursement for the expenses related to these duties and activities.
- (8) Staff support to the Task Force shall be provided by the Public School Construction Program and other agencies as is appropriate and necessary.
- C. Scope of the Task Force. The Task Force shall conduct an in-depth study and review of the Public School Construction Program and present recommendations to the Governor. In carrying out this charge, the Task force shall:
- (1) Examine the identified project requests from the 24 local educational agencies and evaluate their requirements for the next five- and ten-year periods, including requests for new schools, renovations, additions, and systemic renovations. Their review should include a study of former public schools that have been closed and that could be reopened to serve increasing enrollments.
- (2) Review and examine funding sources and the State/local shared cost formula that was established in 1987, and consider alternative methods of funding for a formula which takes into consideration the financial condition and ability of State and local governments.
- (3) Investigate alternatives that could provide State reimbursement for eligible projects that have been forward-funded by local governments, which projects currently must be reimbursed from operational budget funds (pay-go).
- (4) Review the formula for calculating the State Rated Capacity (SRC) for elementary schools, taking into consideration the educational and fiscal impact of any recommended changes.
- (5) Review State policies and/or procedures that pertain to the funding of pre-kindergarten classes and the educational facilities that are or should be provided, taking into consideration the educational and fiscal impact of any recommended changes.

- (6) Review the policies, practices, and/or procedures that are utilized by the Public School Construction Program to assure that all projects comply with State and local growth management plans and policies.
- (7) Review the policies, practices, and/or procedures that are utilized by the Public School Construction Program to assure that existing public school buildings are properly maintained by the public school systems and local fiscal authorities.
- (8) Review the policies, practices, and/or procedures that are utilized by the Public School Construction Program to assure that the facilities being designed and constructed for such programs as science, mathematics, career and technology education, special education, and the inclusion of instructional technology in the public schools will meet the needs of students, educators, and the business community into the 21st century.
- D. The Task Force shall provide a final report containing its findings and recommendations to the Governor by June 30, 1993. Unless amended, extended, or terminated earlier, this Executive Order shall expire on that date.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 7th day of October, 1992.



Villiam Donald Schaefer

ATTEST:

Secretary of State

### APPENDIX B

### RULES, REGULATIONS, AND PROCEDURES FOR THE ADMINISTRATION OF THE SCHOOL CONSTRUCTION PROGRAM

(Accepted & Approved: June 10, 1981 - Board of Public Works) (Amended: September 21, 1982, September 17, 1986, December 30, 1987 and October 11, 1989)

### 1. INTERAGENCY COMMITTEE

There shall be an Interagency Committee on School Construction (hereafter referred to as the Committee), which shall consist of the Director of the Maryland Office of Planning, the Secretary of General Services, and the State Superintendent of Schools, or their respective designees. The State Superintendent of Schools or the Superintendent's designee shall chair the Committee. The Committee shall be responsible for the appointment of an Executive Director with the approval of the Board of Public Works. All decisions of the Committee are to be by majority vote except as provided in Section 4 below. The Committee shall assemble, amend, and keep up to date an annual and a five-year program of elementary and secondary school capital improvements funded or to be funded by the State, including remodeling of school facilities as defined herein. The annual program shall contain the maximum state participation in the cost of each project.

### 2. DEFINITION

Wherever in these regulations the term "local boards" is used, such term shall be construed to refer to the Boards of Education of the several counties and Board of School Commissioners of Baltimore City except that where the charter, local law, or ordinance of Baltimore City allocates any function to the Board of Estimates or the Mayor and City Council, the term "local board" when used in connection with such function shall be construed to refer to the appropriate authority. However, all prerogatives allowed to the Committee for prior review and approval as prescribed and required herein shall not be abrogated on account of the title of school property and the improvements thereon being in the name of the Mayor and City Council of Baltimore.

### 3. EDUCATIONAL FACILITIES MASTER PLAN

- (a) As a condition of the receipt of state project approval and/or school construction funds, each local board of education shall prepare, submit, and annually amend its school system's educational facilities master plan.
- (b) The master plan and amendments thereto shall be reviewed by the Committee as to format, content, and completeness as described in the Public School Construction Program Administrative Procedures Guide.

- (c) The Committee will notify the LEA in writing of its comments noting any objections or exceptions it has to the educational facilities master plan. This planning document together with its annual amendments submitted by the LEA and the aforementioned Committee comments becomes the plan of record.
- (d) The annual and subsequent five-year capital improvement program submitted by each local board of education shall be consistent with the current educational facilities master plan of record. The Committee may recommend to the Board of Public Works the disapproval of any school construction project that is not consistent with the current master plan of record.

### 4. STATE CONSTRUCTION PROGRAM

Prior to September 15 of each year, the Committee shall inform each local board of the amount of estimated capital funds available for the upcoming fiscal year. Each local board shall submit to the Committee by December 7 of each year its updated and detailed capital improvement program for the following fiscal year, to be accompanied by a school capital improvement program for the ensuing five years, both of which shall have been approved by the appropriate local governing bodies. The Committee shall recommend approval or, in consultation with affected local boards, modification of the capital improvement programs, and forward a consolidated State program for the following fiscal year to the Board of Public Works to be acted on at the Board's January meeting. In the event the Committee is unable to reach unanimous agreement on any aspect of the consolidated program, the final recommendation to the Board of Public Works shall be as determined by the Governor. Amendments to the consolidated State program which a local board deems it necessary to submit during the course of the year shall also be subject to approval by the Committee and the Board of Public Works.

### 5. MAXIMUM STATE PROJECT ALLOCATION

The Committee shall establish a maximum State construction allocation which is the maximum State participation for each project when it is being considered for inclusion in an annual capital improvement program for construction funding as follows:

- (a) The maximum State construction allocation shall be based on the product of the latest adjusted average statewide per square foot cost of construction for schools in Maryland and the approved area allowances for the project as limited by the PSCP capacity and space formula and these rules and regulations.
- (b) The average per square foot cost of school construction based on the best cost experience of schools constructed in the prior year(s) shall be published by the Committee at least annually. The per square foot construction cost shall include site work, and the per square foot building cost shall exclude site work.

- (c) The maximum State construction allocation shall also include adjustments for inflation to time of bid, regional cost differences, and a percentage for contingency as determined by the Committee.
- (d) The maximum State construction allocation shall be adjusted to reflect the State and local sharing of this expenditure for all projects approved for local planning on or after February 11, 1987. The State share, which represents the maximum State construction allocation for the eligible portion of a construction contract is computed by applying the following percentages to the factors cited in sections (a), (b) and (c) above:

Allegany County	- 65 percent	Harford County	- 65 percent
Anne Arundel County	- 55 percent	Howard County	- 50 percent
Baltimore City	- 75 percent	Kent County	- 55 percent
Baltimore County	- 50 percent	Montgomery County	- 50 percent
Calvert County	- 50 percent	Prince George's County	- 55 percent
Caroline County	- 75 percent	Queen Anne's County	- 55 percent
Carroll County	- 65 percent	St. Mary's County	- 65 percent
Cecil County	- 75 percent	Somerset County	- 75 percent
Charles County	- 65 percent	Talbot County	- 50 percent
Dorchester County	- 65 percent	Washington County	- 65 percent
Frederick County	- 65 percent	Wicomico County	- 65 percent
Garrett County	- 75 percent	Worcester County	- 50 percent

(e) The maximum State allocation for a project shall be reviewed before the Committee and the Board of Public Works prior to approving the capital improvement program. Once the allocation is established as prescribed herein and included in an annual capital improvement program and approved by the Board of Public Works, it cannot be increased and shall not be subject to appeal, Section 10 notwithstanding.

### 6. <u>ELIGIBLE EXPENDITURES</u>

State participation in the contract costs of the following types of capital improvements shall be eligible if approved in accordance with these regulations:

- (a) For a new school, first-time site development ten feet beyond the building perimeter and including but not limited to outdoor educational facilities, demolition, landscaping, paving, fencing, water, electric, telephone, sanitary, storm, grading, seeding, sodding, erosion control, and fuel services.
  - (a-1) The maximum State construction allocation as indicated in Section 5 shall be computed to include 12 percent of the building cost for site development.
  - (a-2) The LEA may request that the IAC approve an expenditure in excess of the 12 percent of the building cost for site development provided that the maximum State construction allocation is not exceeded.
  - (a-3) This does not preclude a local board of education from paying site development costs in excess of those allowed herein.

- (b) New schools that can be justified because of growth or population shifts.
- (c) An addition(s) to an existing school building such as: classrooms, media center, art and music facilities. This category excludes any alteration of the existing building except for that limited work required to physically integrate the proposed addition(s) into the existing facility.
- (d) A new building or part thereof to replace an existing obsolete school or part thereof in use for 40 years or more. Obsolescence shall be based on educational program requirements and/or structural considerations as determined by the Committee.
  - (d-1) The board of education has the option to request the Committee to consider, in lieu of replacing a school building over 40 years old, the renovation of such building, providing life cycle and cost benefit studies demonstrate the economic feasibility of modernization over replacement, and providing the total renovation construction cost does not exceed the cost of an equivalent new building which does not include the costs of site development, demolition, and air conditioning.
- (e) The modernization or remodeling of an existing school building, in whole or part, with the following exceptions and limitations:
  - (e-1) Alteration, modification, or renovation to existing school buildings or portions thereof in use for 15 years or less from the date of occupancy shall not be eligible for State participation in the costs of construction.
  - (e-2) Except as allowed in (d-l), the Committee shall establish a maximum cost of construction for remodeling a school building or parts thereof. The maximum State construction allocation shall be based upon the product of the "building cost" per square foot, the number of square feet approved for the project, and the following percentages:
    - (e-2-a) For an approved building addition or replacement of a portion of a building over 40 years of age - 100 percent with this product increased by 12 percent for site redevelopment.
    - (e-2-b) For alterations within a building or portion thereof which has been occupied:

41 years or more
from 26 to 40 years
from 16 to 25 years
50 percent

for 15 years or less - O percent

- (e-3) The maximum State construction allocation for modernization and remodeling shall include the costs of demolition, site development, and an amount for change orders.
- (e-4) The LEA may request that the IAC approve an expenditure in excess of 12 percent of the building cost for site redevelopment provided that the maximum State construction allocation is not exceeded.
- (e-5) If there is a substantial change in the type of general use proposed for the school, then a maximum gross area allowance greater than that provided for by Sections 5a and 6e-2 may be allowed by the Committee.
- (f) Change orders to approved construction contracts not to exceed 1-1/2 percent of the State participation in the contract.
- (g) Initial built-in equipment as defined in the <u>Public School Construction Program</u>
  Administrative Procedures Guide.
- (h) Projects that have been forward funded by a local board of education, when approved by the Board of Public Works and under the <u>Rules</u>, <u>Regulations</u>, and <u>Procedures</u> in effect at the time of Board of <u>Public</u> Works approval, including the Board of <u>Public</u> Works' determination of the eligible portion of each project.
- (i) Installing by moving and relocating modular relocatable classroom buildings.
- (j) Relocating on-site utilities as required to eliminate interference with the building construction.
- (k) Expanding existing on-site sewer or water systems to accommodate additional student capacity.
- (I) When approved by a legislative appropriation, systemic renovations within a building or portion thereof. The project allocation shall be based upon the product of the approved eligible costs and the following percentages:
  - (I-1) For facilities or portions thereof which have been occupied:

· 41 years or more - 85 percent · from 26 to 40 years - 60 percent · from 16 to 25 years - 50 percent

- (I-2) Eligible costs shall be established for eligible work as defined in the Public School Construction Program Administrative Procedures Guide.
- (m) Restoration of a public school building or site damaged as a result of a natural disaster subject to the approval of the Committee and the Board of Public Works.

### 7. INELIGIBLE EXPENDITURES

The following types of capital improvements and related expenditures will not be funded by the State and shall be assumed as a local responsibility:

- (a) Contracts for the construction of regional or central administrative offices, warehousing, resource, printing, vehicle storage, or maintenance facilities.
- (b) A/E or other consultant fees.
- (c) Related construction costs such as: permits, test borings, soil analysis, bid advertising, water and sewer connection charges, topographical surveys, models, renderings, or cost estimating.
- (d) Cost of acquisition or purchase of sites.
- (e) Cost of leasing or purchasing of facilities for school use, except where such leasing or purchasing is part of a tax-exempt financing transaction for a forward funded school construction project approved by the Board of Public Works.
- (f) Relocation costs for occupants of a site.
- (g) Salaries of local employees.
- (h) Administrative costs for developing master plans, programs, educational specifications, inspection of construction, or equipment specifications.
- (i) The costs of furnishing and installing movable furniture and equipment.
- (i) Art work required by local ordinance.
- (k) Cost of owner's liability and builder's risk insurance.
- (I) Costs of an individual contract expressly for maintenance and/or repair.
- (m) Off-site development costs beyond the property line.
- (n) All construction costs for work, whether in new construction, alterations, or additions, site development or redevelopment, in excess of the State approved maximum allocation.
- (o) Systemic renovations for school buildings that are not properly maintained.

In any case where a local board desires to proceed with a capital improvement project, or part thereof which is ineligible for State funding, the Committee shall determine the added cost to the approved project generated by the ineligible aspects, and the local board may proceed with the project but without State funding for the added cost.

### 8. COOPERATIVE ARRANGEMENTS

Cooperative arrangements for sharing facilities among two or more school systems, or among educational and non-educational governmental agencies, shall be encouraged. The Committee shall determine what part of the cost of constructing such facilities is fairly assignable to educational agencies, and such part shall be eligible for State payment.

Cooperative arrangements for the use of school facilities for community or recreational purposes shall be encouraged. In every case, only that share of capital improvement costs which, in the judgment of the Committee, is fairly assignable to educational purposes, as distinguished from recreational or community purposes, shall be eligible for State payment.

### 9. REVIEW AND/OR APPROVAL OF SITES, BUILDINGS, CONSTRUCTION PLANS, AND CONTRACTS

- (a) The Committee shall review and approve: I) all proposals for the acquisition or disposition of school sites or buildings; 2) the architectural program and schematic plans for school capital improvement projects for which State payment of costs is sought; and 3) all awards of construction contracts by the local board funded under this program.
- (b) A capital improvement project shall proceed as a State funded project when the construction contract award has been approved in writing by the Committee or the Board of Public Works as prescribed herein. If the Committee does not approve the contracts and proposals as submitted, it shall state in writing the reasons for its disapproval.
- (c) Design development and construction documents will be reviewed by the IAC staff and its written comments communicated to the local educational agency. Such comments will be advisory only and basically for verification of funding sufficiency. The LEA has the sole responsibility for bidding a project within the State and local allocations.

### 10. APPEALS

Whenever a local board or governing body wishes to appeal any decision of the Committee, such party, after giving notice to the Committee, may appear at the next meeting of the Board of Public Works, and, after hearing a presentation of the opposing views, the Board shall make a final determination.

### 11. COMMITTEE GUIDELINES AND PROCEDURES

The Committee shall have the responsibility for prescribing administrative procedures, guidelines, and forms to be used by local boards desiring State payment of the costs of a school capital improvement project.

### 12. SELECTION OF ARCHITECTS AND ENGINEERS

The plans, specifications, and related documents for each construction project must have been developed under the supervision and responsibility of an architect or engineer who is licensed or registered in the State of Maryland. Selection of the architect or engineer shall be made by the local board. The Committee shall be notified of the architect selected, and a copy of the approved A/E Agreement shall be filed with the Committee. However, the local A/E Agreement shall include, as terms of the contract, provisions for cost control, life cycle costing, energy conservation, a fixed limit of construction cost, and Committee review and/or approval, as described herein, of the schematic, design development, and construction documents.

### 13. <u>SUBMISSION OF SCHEMATIC DESIGNS AND DESIGN DEVELOPMENT</u> <u>DOCUMENTS</u>

The schematic designs prepared by the architect shall be reviewed and approved by the Committee. The design development documents approved by the local board shall be submitted to the Committee for review and comment. The design development documents shall demonstrate cost effectiveness. Energy consumption efficiency, as substantiated by life cycle cost studies, must be approved by the Department of General Services as required by the State Finance and Procurement Article, Sections 4-801 - 4-808, Annotated Code of Maryland. Within thirty (30) days of submission, the local board shall be notified in writing of the comments and recommendations of the Interagency Committee staff.

### 14. CONSTRUCTION DOCUMENTS

The construction documents shall be submitted to the Committee for final review and comment, and for comparison with the project's approved maximum State construction allocation and authorization to bid. The documents shall include all necessary approvals by appropriate State and local fire, health, sediment control and storm water management agencies; such approvals to be final subject to subsequent inspection as to compliance. Alternates should be established to enable the award of a contract within the available State and/or local funds. Comments in writing by the Committee staff shall be based upon the construction documents submitted and shall not be construed to include any subsequent changes in the construction documents.

### 15. AWARDS OF CONTRACTS

Awards of contracts shall be made by, and in the name of, the local board to the lowest responsible bidder meeting the requirements of the bidding documents in accordance with the Public School Laws, after the award of contract has been approved by the Committee. If the lowest responsible bidder's proposal exceeds the maximum State construction allocation, the local jurisdiction can (a) supplement the State allocation (and assume responsibility for all change orders), (b) revise and rebid (with no subsequent adjustment in State funds), or (c) cancel the project. Each local board shall adopt procedures for prequalification of bidders on contracts, and an attempt to include minority business enterprises in contracts. The Committee shall assist in the development of such procedures. Contracts and Requisitions for Payment shall be in a standard form. Construction contracts shall include a performance and payment bond payable both to the local owner and to the State. The State shall not pay any fees for local building permits and shall not require any local board to obtain a building permit as a condition of approval unless the local subdivision requires it. Local boards shall be required to furnish adequate inspection of all construction projects. During construction, the Committee may arrange for periodic inspection by State inspectors of the project.

### 16. METHOD OF PAYMENT

Payment will be made by the State directly to the contractor or vendor upon receipt and review of a request for payment from the LEA for eligible expenditures against the approved contract, and payment should be made within twenty-five (25) days from the receipt of the invoice by the LEA. Payments may be made by the State to the LEA as reimbursement for eligible expenditures made against approved contracts with documentation indicating that the contractor or vendor has been paid the amount requested for reimbursement.

### 17. REVERSIONS

Any project approved for funding with an allocation in the State Public School Construction Capital Improvement Program of record which has not been contracted for within two years from the effective date of approval shall be deemed to be abandoned. If justified by unusual circumstances, the Committee, with the approval of the Board of Public Works, may extend the allowable time for placing a project under contract. The amount of the unexpended allocation for such an abandoned project shall be transferred to the Statewide Contingency Account of the fiscal year in which the project was approved for funding, and the project shall be removed from the State Public School Construction funding accounts. To be considered for reinstatement, the project must be submitted as a new project in a succeeding fiscal year's annual capital program as required under Section 4.

### 18. <u>AMENDMENTS AND REVISIONS</u>

Prior to the adoption or approval of any proposed amendments or revisions to these <u>Rules</u>, <u>Regulations</u>, and <u>Procedures</u>, the Board of Public Works will:

- (a) Notify local boards of education and county governing bodies of the proposed changes to allow for their review and comments; and
- (b) Submit the proposed changes to the Legislative Policy Committee of the Maryland General Assembly for a period of at least 30 days to provide for their review and comments.

### PUBLIC SCHOOL CONSTRUCTION IN MARYLAND HISTORICAL BACKGROUND

A primary objective of Maryland's school financing system has been to establish and maintain a substantial measure of local control over the public school system. Concern over significant variation in the quality of education provided among the subdivisions led to the enactment in 1922 of the State's first equalization law for education finance. While the State's aid program was limited to current expenses - staffing, salaries, and other costs of instruction - the law embodied the principle that all the wealth of the State, wherever situated, would be taxed, up to a reasonable level, to educate children wherever they live. This system of State financing provided no assistance for the cost of school construction.

The Incentive Fund for School Construction

In 1947, the Maryland Commission on the Distribution of Tax Revenues (Sherbow Commission) recognized that the State's lack of contribution to school construction costs had:

...resulted in a highly variable quality of school buildings in the State, many of which are totally inadequate or sub-standard.

To address this issue, the Sherbow Commission recommended an incentive plan to provide State funds for the construction of school buildings and facilities. As a result, the first program of State construction aid was enacted, known as Incentive Aid for School Construction.

The Incentive Fund offered the subdivisions a State grant for the difference between \$10 per pupil enrolled and the amount raised by a local tax levy of 5 cents per \$100 of assessed property value. Although the Incentive Fund was intended to help local governments meet ever increasing school facility needs, actual State aid under the program fell from \$1.3 million to \$1.1 million between 1947 and 1955. This decrease in aid was due to marked increases in the assessable base which more than offset enrollment increases. Further, while the formula was intended to be equalizing in nature, it: (1) failed to recognize actual construction needs relative to student population changes; and (2) was based on local property wealth during a period when property assessment methods varied significantly from county to county.

Between 1947 and 1954, Maryland public school enrollment increased from 276,627 to 409,570 students, a 48% change. The unexpected growth in student population resulted in almost 13,000 pupils on half shifts, 4,600 in rented quarters, and over 26,000 in makeshift quarters in school buildings. To address this crisis, and in view of 5-year enrollment projections which envisioned another significant increase, the Commission to Study Education and Finance (Green Commission) was asked to review public school construction financing needs. The Green Commission was guided in its work by the Maryland State Debt and Finance Commission of 1954 (Grotz Commission), which was charged by Governor McKeldin with the investigation of State debt.

With regard to public school construction, the Grotz Commission concluded that: (1) the State should not create public debt to finance school construction; (2) the State should cease lending its credit to the localities; and (3) the localities had sufficient credit to finance, through the creation of debt, all foreseeable school construction.

In consideration of these findings, the Green Commission recommended that the State continue to provide school construction aid to the local governments in the form of general funds rather than public debt. It further recommended that: (1) aid be provided through the Incentive Fund formula; and (2) the level of State aid per pupil enrolled be increased. This latter recommendation was conditioned upon the concern that no Incentive Fund increase be enacted without accompanying legislation that would standardize property assessment values used in the Incentive Fund calculation.

Consequently, the Incentive Fund formula was amended in 1956 to allow an increase in the per pupil enrolled allowance to \$15 for FY 1957 and to \$20 for FY 1958.

In 1961, the formula was further revised to increase the per pupil allowance to \$22 and provide an additional allocation of \$70 for each new pupil in recognition of enrollment changes. This formula remained unchanged until its repeal in 1967, when it was replaced by the 1967 School Construction Aid Program.

### Loan Assistance Programs

Despite the Grotz and Green Commission recommendations that no new State debt or credit be issued on behalf of local governments, two loan-type programs were initiated after World War II that extended the State's credit for school construction purposes. The programs were in response to the backlog of facility needs that had developed during the depression and war years and as a result of the baby boom that followed. The two programs were:

- O The General Public School Assistance Loan of 1949 (State Grant-In-Aid Fund); and
- o The General Public School Construction Loan.

The State Grant-in-Aid Fund was established in 1949 as a 5-year program of special-purpose grants. It was intended to help the subdivisions respond to school building needs brought about by the abnormal increase in school population following World War II. The Grant-in-Aid Fund legislation authorized \$20 million in bonds to be made available to the subdivisions on a 1:3 (State/Local) matching basis. The program was not extended beyond the initial 5-year period.

The Public School Construction Loan, also created in 1949, authorized \$50 million in bonds in the first year, the proceeds of which were to be used to finance the construction of public school buildings, facilities, and

the acquisition of land on which to construct the buildings. Under the program, the Board of Public Works made school construction loans upon recommendation by the State Department of Education. The Interagency Committee on School Construction assumed responsibility for making loan recommendations in 1982.

Loans were based upon demonstrated need, but within entitlements which reflected size of enrollment. Bonds were sold by the State and the proceeds were loaned to the subdivisions. The local governments were required to reimburse the State for all costs of debt service by having funds withheld from various State payments due the local governments, including the income tax, the tax on racing, the recordation tax, the amusement tax, and the license tax. The loan program has not been used since 1983 although the authorizing statute remains in the Education Article.

The total of such loans issued for elementary and secondary schools over the life of the program is as follows.

Year	Amount
1949	\$ 50,000,000
1953	20,000,000
1956	75,000,000
1962	20,000,000
1963	50,000,000
1965	50,000,000
1967	50,000,000
1970	50,000,000
1973	25,000,000
1981	2,000,000
1982	2,000,000
1983	900,000
	\$394,900,000

### State Aid for Construction of Vocational Education Facilities

Between 1965 and 1969, Maryland authorized State debt for the purpose of making grants for the construction of vocational education facilities. Under the program, the State paid a percentage share of the cost of construction equal to the current expense equalization share, but not less than 50%. State bonds authorized under this program were as follows:

Year	Amount
1965	\$ 10,000,000
1967	10,000,000
1969	10,000,000
	\$ 30,000,000

This program was discontinued after adoption of the 1971 School Construction Program. Since that time, construction funding for vocational education facilities has been included in the annual capital improvement program along with all other local project requests.

### Public School Construction Aid Program of 1967

The 1967 School Construction Aid program, which replaced the Incentive Fund for School Construction, was enacted after some years of study by various committees and commissions. The formula that was adopted and remained in effect through FY 1971 was recommended by the 1966 Committee on Taxation and Fiscal Matters. The 1967 program provided for:

- O Support for 80% of the cost of construction up to \$1,500 per pupil housed;
- Support for 80% of annual interest and redemption payments for debt outstanding or obligated as of June 30, 1967;
- The State's share of (1) and (2) the same as its percentage share of the current expense foundation program with a minimum guarantee of 35%; and
- o State aid for the establishment and support of kindergartens.

As can be seen from the following data, the 1967 program resulted in significant increases in state aid for school construction and debt service between FY 1968 and FY 1971.

Fiscal	State Aid Under 196	7 School Construction	Program
Year	Construction	Debt Service	Total
1965-66	\$ 1,609,676	\$11,705,929	\$ 13,315,605
1966-67	646,614	11,543,594	12,190,208
1967-68	17,732,724	22,568,064	40,300,788
1968-69	29,578,049	17,601,898	47,179,947
1969-70	32,398,752	21,961,705	54,360,457
1970-71	44,341,889	23,412,212	67,754,101

The assumption of a portion of outstanding debt service as of June 30, 1967 was an attempt to provide equitable treatment for those subdivisions which had tried to keep pace with school building needs. The 80% figure was a device to balance costs with available State resources and the \$1,500 per pupil figure was considered to be the reasonable cost of housing a student. The program remained in effect until it was replaced by the 1971 school construction program.

### Public School Construction Program in 1971

In response to growing calls for local tax relief and for State assumption of all the costs of public primary and secondary education, Governor Mandel in 1971 proposed the establishment of a:

...comprehensive program under which the State will assume the entire cost of school construction in every county and city of the State.

At the same time, the Commission to Study the State's Role in Financing Public Education (Hughes Commission) issued its final report with the following recommendations:

- That the existing equalization formula be replaced by a single formula, with the State supporting 55% of the operating costs of programs in each subdivision based on prior-year per-pupil expenditures.
- That the State reimburse the subdivisions: (1) for full approved cost of all construction of public elementary and secondary schools for which contracts were let after July 1, 1971; (2) for full cost of debt service for obligations incurred for contracts signed, or for direct payments made for school construction, between February 1, 1971, and June 30, 1971; and (3) for debt service requirements for obligations outstanding as of June 30, 1967.

In view of its cost (an estimated \$164 million), the Hughes Commission did not press for immediate enactment of the first recommendation. However, the second recommendation, with the full endorsement of the Governor, was enacted into law by the 1971 General Assembly. The 1971 initiative, commonly referred to as the "new" program, became the foundation for Maryland's current school construction program by which payments are made on behalf of local governments for approved school construction costs.

By contrast, the State's assumption of pre-1967 local debt is often referred to as the "old" program and, for State aid purposes, is considered a direct grant program. By FY 1993, the State has retired roughly \$750 million of the \$755 million in pre-1967 State-assumed debt.

The statute establishing the school building construction aid program left details of administration and implementation to be determined by the Board of Public Works through rules and regulations. To implement the "new" program, with an initial bond authorization of \$150 million, the Board adopted Rules. Regulations, and Procedures for the Administration of the School Construction Program and the Public School Construction Program Administrative Procedures Guide in June 1971, thereby establishing the Interagency Committee on School Construction. The Interagency Committee has supervised and administered the "new" program since that time.

### Early Modifications to the "New" School Construction Program

Since its enactment in 1971, four task forces have examined the "new" program with respect to balancing local school construction needs with the State's ability to pay.

The first significant revision of the program's operating guidelines occurred in 1977, under the recommendations of the Commission to Study Revision of the School Construction Program (James Commission). The James Commission report resulted in an increase in the local share of school construction costs when the Board of Public Works adopted the following recommendations:

- O A State funding limitation of \$15,000 per acre for site development work ten feet beyond the perimeter of a building site;
- A reduction of State participation for school renovation projects;
- A reduction in the percentage allowable for State funding of movable furniture and equipment;
- O Elimination of State funding for administrative office construction;
- O Local assumption of all architectural/engineering and consultant fees incurred; and
- O Elimination of State funding for specified pre-construction expenses.

### Creation of the Capital Debt Affordability Committee

Of major consequence to the school construction program and to State debt in general was the James Commission recommendation that a Capital Debt Affordability Committee be created under the Executive Department:

...to be responsible for reviewing the size and condition of the State debt and preparing an annual debt affordability analysis.

The Capital Debt Affordability Committee consists of the Treasurer (Chairman), the Comptroller, the Secretaries of Budget and Fiscal Planning and Transportation, and one appointee of the Governor. The Committee is required to review the size and condition of the State debt and to submit annually to the Governor and General Assembly by September 10th a recommended debt authorization level. The placement of the Committee within the executive branch means that consideration of debt affordability occurs when the State's capital program is formulated.

By October 15th of each year, the Governor is required to provide a preliminary allocation of new general obligation debt which he deems advisable for general construction, school construction, and other special projects. Further, within 20 days after the General Assembly convenes, the Governor must submit legislation on a consolidated loan budget which reflects the dollar amount and percentage allocated for each project.

### Further Modifications to the "New" Program

In 1981, the Board of Public Works incorporated certain recommendations of a 1979 gubernatorial Task Force to evaluate the Public School Construction Program within the Program's Rules, Regulations, and Procedures (R,R,&P). The recommendations that resulted in significant change include:

- Establishment of a tentative maximum State construction budget based on a formula for design purposes, and then a maximum State construction allocation when the project is reviewed for construction funding;
- O An allowance of up to 12% of the maximum State building cost for site development;
- O A revised sliding scale to govern State funding for renovation projects;
- Required submission of educational facility master plans by school districts, with annual updates;
- O Elimination of approval requirements for project design and construction documents while retaining a State review and comment requirement; and
- O Local assumption of any project costs exceeding the State's maximum construction allocation.

In 1986, and again in 1988, the Board adopted additional task force recommendations that further increased the local share of school construction costs. The 1986 changes, as proposed by the 1985 Task Force to Examine the School Construction Program, made movable equipment ineligible for funding and made systemic renovations and restorations due to natural disaster eligible for program funding.

The changes recommended by the 1987 Task Force on School Construction Finance incorporated a state/local shared cost formula into the "new" program beginning in FY 1989. Under this recent modification, the State has provided the following level of assistance for eligible construction costs through FY 1993.

### State's Percent Share of Approved Costs

75%	65%	55%	50%
Baltimore City	Allegany	Anne Arundel	Baltimore
Caroline	Carroll	Kent	Calvert
Cecil	Charles	Prince George's	Howard
Garrett	Dorchester	Queen Anne's	Montgomery
Somerset	Frederick		Talbot
	Harford		Worcester
	St. Mary's		
	Washington		
	Wicomico		

The changes that have been made to the R.R.&P since 1971 directly affect the shared cost relationship between the State and local education agencies. Under the current R.R.&P it is estimated that local funding represents between 37 and 77 percent of a project's cost. Land acquisition is a local responsibility which is not eligible for State funding and has not been included in this analysis.

Typical Ranges of Local Costs for a School Construction Project (Estimated)

Costs:	1971-1977	1978-1981	1982-1986	1987-1988	1989-1993
Construction Site Work Architectural/	0 - 5% 0 - 2	0 - 12% 0 - 4	0 - 10% 0 - 1 4 - 5	0 - 10% 0 - 1 4 - 5	25 - 50% 0 - 1 4 - 5
Engineering Related Contracts Equipment	0 - 1 0 - 1 0 - 2	0 - 1	0 - 1 0 - 5	0 - 1 5 - 10	0 - 1 5 - 10
TOTAL	0 - 11%	4 - 29%	4 - 22%	9 - 27%	34 - 77%

### Infrastructure Loan Program

In recognition that adoption of the state/local shared cost formula would increase the school construction obligations of the local governments, the 1987 Task Force recommended that a "level playing field" for local public school construction borrowing be established.

To this end, the Board of Public Works adopted a policy to authorize the counties to participate in the Infrastructure Loan Program offered by the Community Development Administration under the Department of Housing and Community Development; thus providing the counties access to the State's AAA bond rating. Further, the Board approved State funding of a portion of the insurance costs associated with the AAA rating to enable low-wealth counties to participate.

Only Caroline County has used the Infrastructure Loan Program for school construction purposes, and this was prior to adoption of the insurance cost assistance.

### Asbestos Removal Program

In 1985, a new section of law was added to the Education Article which created an asbestos removal fund for the purpose of providing grants to county boards. For FY 1986, \$10 million was appropriated contingent upon a supplemental State cigarette tax which would take effect only if the Federal government allowed the federal tax to fall below 16 cents per pack.

This action came at a time when the federal government was facing a budget crisis. Consequently, the federal cigarette tax was not reduced, a supplemental State cigarette tax did not take effect, and the Asbestos Removal Fund was never funded. In general, asbestos removal is eligible for funding under the "new" program when it is part of an approved renovation project; it is not eligible when requested as an independent project.

### **FOOTNOTES**

A number of documents have been used in compiling this historic overview of school construction finance in Maryland.

- Report of the Maryland Commission on the Distribution of Tax Revenues September 30, 1946
- Report of Maryland Commission to Study Education and Finance March
   1955
- Full State Funding of School Construction in Maryland An Appraisal After Two Years October 1973
- Report of the Commission to Study Revision of the School Construction Program January 15, 1977
- The State of Maryland Public School Construction Program 1971-1981
  June 1982
- Report of the Governor's Task Force to Evaluate the Public School Construction Program August 1, 1979
- Report of the Task Force to Examine the School Construction Program November 1, 1985
- Report of the Task Force on School Construction Finance November 10, 1987
- . The Annotated Code of Maryland:
   Education, Section 5, Subtitle 3
   State Finance and Procurement, Subtitle 8, Part II

### Appendix D

### COST AND IMPACT OF THE SCHOOL CONSTRUCTION PROGRAM 1971-1993

### **Program Components**

The Public School Construction Program has had a significant financial impact on State and Local government. Since July, 1971, the State has funded the cost of the School Construction Program and has assumed each school district's bond debt which was obligated or outstanding as of June 30, 1967.

Thus, there are two cost components to the State's School Construction Program:

- (1) "New Program" debt service contracted by the State after July 1, 1971 for approved eligible costs of construction of public schools; and
- (2) Local debt assumed by the State for contracts let by the subdivisions for public school construction prior to June 30, 1967.

Funds to pay the debt service are from general fund revenues and State property taxes and are budgeted to the State Department of Education.

The fiscal objective of the programs had been to relieve the subdivisions of the financial obligation to provide needed educational facilities. The major portion of the financial burden of school construction costs has been shifted from the subdivisions to the State.

The following summarizes the two cost components of the program.

### (1) "New Program"

Since the inception of the "new program" in FY 1972, the State has received requests from local boards of education annually which have been as high as \$427 million (FY'72) and as low as \$147 million (FY'83). During the past five years the annual requests have been approximately \$200 million. Over the same period the State has authorized almost \$2 billion to finance the costs of the new construction program. The interest rate has ranged from a low of 4.3% (January, 1972) to a high of 11.3% (November, 1981).

Exhibit I presents the funds requested, authorization levels, reallocated funds, total of funds allocated (against requests), and the percentage of requests funded for each year of the program. The percent of total funds allocated when compared to requests for a typical year averages approximately 48 percent. It should be noted that over \$1 billion (half of the \$2 billion total) was allocated during the first five years of the program (FY'72-FY'76). Requests declined to under \$100 million for a period of years between FY'81-FY'87 and State funds allocated during this same period were in the range of \$27 million (FY'84) to \$52 million (FY'82). Requests for State funding have been approximately \$200 million each year since FY'88 and State funds allocated have been in the range of \$58 million (FY'88) to \$88 million (FY'90).

Exhibit II presents a summary of the annual and five year statewide public school capital improvement program requests for the period FY'90-FY'94. The average for a fiscal year based upon a review of the fiscal year of the submission is in the range of \$138 million to \$157 million. The fiscal year 1994 average for FY'94-FY'99 is \$142 million.

Exhibit III reflects the allocation of the \$1.95 billion school construction authorizations to the subdivisions under the "new program" through FY 1993. These allocations represent the principal (State funds) provided for approved projects and do not reflect the interest on the debt.

Exhibit IV reflects by subdivision the actual debt service costs (i.e., principal and interests) incurred by the State for the Public School Construction Program since its inception in FY 1972. With respect to the "new program" costs, \$2.164 billion has been or will be expended through FY 1993 as shown in column 1.

Exhibit V summarized by fiscal year the State payments (principal and interest) by fiscal year for FY'72 through FY'93 (estimated) in column 1. This figure totals in excess of \$2.163 billion.

### (2) Local Debt Assumed

As a result of assuming the county debt service obligations, the State assumed costs of \$755.6 million for the following 3 types of obligations:

- obligations to pay interest and principal on debt issued prior to June 30, 1967 by the counties to finance school construction (\$594.1 million).
- obligations of the subdivisions to pay interest and principal on State issued debt prior to June 30, 1967 under the General Public School Construction Loan (GPSCL) program. It should be noted that this program, through which the State issued bonds to loan funds to the subdivisions, continued after fiscal 1967 however these obligations of the subdivisions were not assumed by the State (\$105.2 million).
- obligations for debt service on GPSCL and county bonds that were issued after June 30, 1967 for construction payments on "contracts let" prior to June 30, 1967. This category was assumed by the State pursuant to Chapter 245 Acts of 1973 (\$56.3 million).

Of the \$755.6 million in assumed obligations, Exhibits IV and V show that the State has or will have paid \$737 million through FY 1993 (column 2). The balance will be repaid through 1998.

### State Cost of Program

Exhibits IV and V summarize by subdivision and fiscal year the total cost of the School Construction Program to the State. It shows that \$2.9 billion has been or will be expended through FY 1993. Costs have grown in each fiscal year through 1986 as the result of the very large authorization levels (ranging from \$150 million to \$300 million annually) in the early years of the program coupled with new authorizations (ranging from \$22 million to \$69 million) in the following years (refer to Exhibit I). Based on the sustained new authorization levels in recent years (\$44 million - FY'90 to \$69 million FY'93) the obligations incurred by the State for bonds sold or to be sold will require repayments of approximately \$100 million (principal and interest) annually.

Exhibit VI presents data showing that the Public School Construction Program received and disbursed State funds to the local school systems which represents approximately 31 percent of all State capital funds authorized between 1971 (FY'72) and 1992 (FY'93). This is probably the largest single State capital program which directly benefits local governments. An additional 28 percent of all State capital funds was allocated for other non-state projects during this same period of time. These two categories of non-state projects represent 58 percent of all State capital funds authorized. A list of the types of non-state projects is provided on Exhibit VII. The remaining 41 percent of the State capital funds were used for State owned projects.

### Exhibit I

### COMPARISON OF TOTAL ANNUAL CAPITAL IMPROVEMENT

### PROGRAM (CIP) REQUESTS, ANNUAL AUTHORIZATIONS, AND ALLOCATIONS (\$000 omitted)

Fiscal <u>Year</u>	Funds Requested (1)	Authorized (2)	Reallocated Funds (3)	Total Funds Allocated	Percent Allocated to Requests
1972	\$ 427,200	\$ 150,000		\$ 150,000	35.1
1973	417,062	300,000		300,000	71.9
1974	402,050	220,000	\$ 7,392	227,392	56.6
1975	392,365	212,000	45,714	257,714	65.7
1976	320,468	160,000		160,000	49.9
1977	246,559	50,000	33,259	83,259	33.8
1978	202,372	69,000	15,868	84,868	41.9
1979	102,970	57,000	7,318	64,318	62.5
1980	110,772	62,000	3,000	65,000	58.7
1981	96,474	45,000	2,796	47,796	49.5
1982	88,594	45,000	7,068	52,068	58.8
1983	47,138	32,000	F - 1 - 1	32,000	67.9
1984	58,360	22,000	5,087	27,087	46.4
1985	84,794	36,000	2,776	38,776	45.7
1986	90,241	34,600	614	35,214	39.0
1987	80,748	44,300		44,300	54.9
1988	174,793	57,400	797	58,197	33.3
1989	260,220	60,000 (4)	1,652	61,652	23.7
1990	170,637	88,000 (5)		88,000	51.6
1991	198,122	75,000 (6)	5,470	80,470	40.6
1992	204,488	60,000	4,700	64,700	31.6
1993	196,884	69,000	10,000	79,000	40.1

- (1) Projects not funded in a fiscal year are usually resubmitted the following fiscal year.
- (2) The authorized amounts reflect new bond authorizations and "pay-go" funding, where noted.
- (3) Reallocation of State funds from the PSCP Statewide contingency account in annual CIP approved by the Board of Public Works. Funds were approved for transfer to the Statewide contingency account from previously approved projects that were (a) dropped as projects by an LEA, (b) project was bid below allocated funds, (c) reduced scope of work from original funding, (d) unexpended funds at completion of project, and/or (e) backcharges as a result of PSCP audits
- (4) Includes \$ 7 million "pay-go" funds
- (5) Includes \$44 million "pay-go" funds
- (6) Includes \$22 million "pay-go" funds

Source: Interagency Committee on School Construction (12/92)

Exhibit II

# SUMMARY OF ANNUAL AND FIVE-YEAR PUBLIC

### SCHOOL CONSTRUCTION CAPITAL IMPROVEMENT REQUESTS (\$ in millions)

	TOTAL	922.4	942.9	944.3	827.2	850.8
	FY'99					110.6
	FY'98				122.3	121.8
	FY'97			127.2	118.1	139.1
	FY'96		138.9	131.6	107.3	130.6
	FY'95	147.5	106.7	0.66	112.6	142.4
	FY'94	136.2	148.7	173.9	170.0	206.3
	FY'93	126.5	180.7	208.1	1,96.9	
	FY'92	130.7	169.8	204.5		
	FY'91	210.9	198.1			
	FY'90	170.6				
Fiscal	Submission	FY'90	FY'91	FY'92	FY'93	FY'94

### Notes:

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- costs for each fiscal year of submission and local estimates for systemic renovation projects. All anticipated State funds as submitted by LEAs, based on State established square foot
- Project justification and eligibility for State funding has not been determined.
- Projects not funded in a fiscal year are usually resubmitted in following fiscal year, and subsequent priorities adjusted.
- No inflation has been added for subsequent fiscal years, beyond the fiscal year of submission.

Source: Interagency Committee on School Construction (12/92)

### Exhibit III

### PUBLIC SCHOOL CONSTRUCTION ALLOCATIONS (By County)

Local		
Educational	Total	
_ Agency	FY 1972-93	3
		_
Allegany	\$ 46,163,217	7
Anne Arundel	210,617,603	
Baltimore	136,705,909	
Calvert	47,981,499	
Caroline	17,904,924	4
Carroll	72,388,933	3
Cecil	41,968,690	0
Charles	78,795,746	6
Dorchester	33,821,88	
Frederick	93,219,95	7
Garrett	28,690,964	4
Harford	107,921,074	4
Howard	110,652,12	6
Kent	8,020,71	
Montgomery	232,268,74	
Prince George's	168,448,44	
<b>3</b>		
Queen Anne's	15,211,79	3
St. Mary's	41,412,75	7
Somerset	23,337,26	1
Talbot	9,434.47	0
Washington	51,356,89	4
Wicomico	36,447,11	
Worcester	24,908,20	
Baltimore City	287,471,13	
	207,171,10	_
State Projects	13,366,90	5
Statewide Contingency	10,283,04	
Total	\$1,948,800,00	0
7000	¥1,5+0,000,00	J

Note: Reflects total allocation amounts as of 7/1/92. Figures do not reflect

interest costs associated with the debt.

Source: Interagency Committee on School Construction (12/92)

### Exhibit IV

### STATE COSTS FOR PUBLIC SCHOOL CONSTRUCTION -- FY 1972-FY 1993 BY COUNTY

COUNTY	STATE DEBT NEW PROGRAM	LOCAL DEBT ASSUMED	TOTAL
1 ALLEGANY 2 ANNE ARUNDEL 3 BALTIMORE CITY 4 BALTIMORE	51,816,913	5,695,640	57,512,553
	268,734,677	62,178,928	330,913,605
	340,119,187	164,808,202	504,927,389
	155,444,847	144,255,454	299,700,301
5 CALVERT	45,784,416	1,235,000	47,019,416
6 CAROLINE	23,305,365	4,094,243	27,399,608
7 CARROLL	73,631,916	3,109,000	76,740,916
8 CECIL	33,943,933	7,068,000	41,011,933
9 CHARLES	79,025,242	10,335,825	89,361,067
10 DORCHESTER	47,682,580	3,936,408	51,618,988
11 FREDERICK	106,012,870	22,186,845	128,199,715
12 GARRETT	31,370,987	938,000	32,308,987
13 HARFORD	124,340,080	21,859,845	146,199,925
14 HOWARD	117,108,321	9,159,000	126,267,321
15 KENT	11,477,289	495,000	11,972,289
16 MONTGOMERY	217,939,874	93,951,839	311,891,713
17 PRINCE GEORGE'S 18 QUEEN ANNE'S 19 ST. MARY'S 20 SOMERSET	190,340,964	144,896,236	335,237,200
	18,303,206	3,828,000	22,131,206
	45,289,933	3,346,000	48,635,933
	34,008,469	1,479,000	35,487,469
21 TALBOT	10,172,845	3,983,000	14,155,845
22 WASHINGTON	59,573,202	14,928,665	74,501,867
23 WICOMICO	45,614,731	8,646,250	54,260,981
24 WORCESTER	32,578,860	508,000	33,086,860
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2,163,620,707	736,922,380	2,900,543,087

NOTE: Cumulative state costs for the public school construction program (includes principle and interest).

Column 1 - Debt service on state-issued bonds is allocated among the counties in proportion to each counties share of bond proceeds. Calculation done by Dept. of Fiscal Services & Dept. of Budget & Fiscal Planning.

Column 2 - The state assumed the costs of the debt service on local school construction bonds.

Column 3 - Reflects total cost to the state through FY 1993 FY 1992 and FY 1993 are estimates).

PREPARED BY: Department of Fiscal Services, January 1993

STATE COSTS FOR PUBLIC SCHOOL CONSTRUCTION -- FY 1972-FY 1993

Exhibit V

FISCAL YEAR	STATE DEBT NEW PROGRAM	LOCAL DEBT ASSUMED	TOTAL
1972	1,985,999	62,921,000	64,906,999
1973	1,417,154	59,757,000	61,174,154
1974	9,156,062	61,486,000	70,642,062
1975	20,623,000	58,127,000	78,750,000
1976	34,241,000	57,662,000	91,903,000
1977	52,118,000	56,275,000	108,393,000
1978	70,739,000	53,693,000	124,432,000
1979	85,337,000	48,468,000	133,805,000
1980	99,951,000	44,322,000	144,273,000
1981	111,497,000	40,275,000	151,772,000
1982	124,969,000	35,700,000	160,669,000
1983	134,257,000	29,363,000	163,620,000
1984	146,066,000	27,211,000	173,277,000
1985	153,412,000	24,143,000	177,555,000
1986	157,944,000	20,225,000	178,169,000
1987	162,532,000	15,132,079	177,664,079
1988	156,602,000	9,709,732	166,311,732
1989	154,853,718	10,292,565	165,146,283
1990	147,435,109	6,835,024	154,270,133
1991	132,837,987	6,546,839	139,384,826
1992 est.	113,193,480	5,636,909	118,830,389
1993 est.	92,453,1 <b>9</b> 8	3,141,232	95,594,430
TOTAL	2,163,620,707	736,922,380	2,900,543,087

NOTE: Includes principle and interest. FY 1992 and FY 1993 are estimates.

PREPARED BY: Department of Fiscal Services, January 1993

Exhauit VI

FUNDS AUTHORIZED FOR CAPITAL IMPROVEMENTS
MARYLAND GENERAL ASSEMBLY 1971 - 1992

TOTAL AUTHORIZATION		277.222.500	474,585,500	434,564,600	410,829,100	363,955,723	174,436,000	177,247,060	219,125,000	171,933,500	239,491,317	173,392,000	189,030,000	194,703,500	207,102,900	320,807,000	219,516,500	261,905,000	347,341,000	488,910,025	425,157,429	360,590,124	367,709,000	6,499,554,778		6,334,013,178	1 \$29,900,000 and
AUTHOR	96	11.2	7.5	24.1	26.3	25.6	34.3	10.1	27.4	17.5	28.9	20.2	31.6	37.7	25.2	62.6	38.6	36.3	31.7	30.7	42.1	34.6	37.7	29.4		28.1	1992 total
WNED	Other Funding	31,125,000	35,378,000	104,482,900	108,013,800	93,225,000	29,900,000	17,812,860	29,966,800	30,091,400	69,257,500	35,039,000	59,722,000	73.382,500	52,239,900	200,920,000	84,736,500	95,176,000	110,106,000	150,078,775	178,871,929	124,645,076	138,526,500	1,912,697,440		1,782,122,440	School Construction Leans for the period 1971-1992 Non-State Owned-Other Category.
NON-STATE OWNED	%	54.1	63.2	9.09	51.6	44.0	28.7	38.9	26.0	36.1	18.8	26.0	16.9	11.3	17.4	10.8	20.2	21.9	17.3	18.1	17.7	16.6	18.8	30.0		30.8	Leans for
ON	PSCP Funding	150,000,000	300,000,000	220,000,000	212,000,000	160,000,000	20,000,000	000'000'69	57,000,000	62,000,000	45,000,000	45,000,000	32,000,000	2,000,000	36,000,000	34,600,000	44,300,000	57,400,000	60,250,000	88,500,000	75,250,000	000,000,09	69,000,000	1,949,300,000		1,949,300,000	School Construction Leans for th
	9/0	34.7	29.3	25.3	22.1	30.4	37.0	51.0	46.6	46.4	52.3	53.8	51.5	51.0	57.4	26.6	41.2	41.8	51.0	51.2	40.2	48.8	43.5	40.6		41.1	0
STATE-OWNED	State-owned funding	96,097,500	139,207,500	110,081,700	90,815,300	110,730,723	64,536,000	90,434,200	102,158,200	79,842,100	125,233,817	93,353,000	97,308,000	99,321,000	118,863,000	85,287,000	90,480,000	109,329,000	176,985,000	250,331,250	171,035,500	175,945,048	160,182,500	2,637,557,338	Authorizations	led 34,966,600 2,602,590,738	Supplemental Public
	YEAR	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992		Author	Cancelled TOTAL 2,	Notes:

Department of Budget and Fiscal Planning (1/93) Source:

Supplemental Public School Construction Leans for the period 1971-1992 total \$29,900,000 and are included in the Non-State Owned-Other Category.

### Exhibit VII

### SAMPLES OF NON-STATE OWNED CAPITAL PROJECTS

Adult Day Care Centers

Chesapeake Bay Water Quality Program

Civic/Convention Center Loans

County Jail/Detention Center Loan

**Elderly Citizens Center Loans** 

**Energy Conservation Loans** 

Flood Control

General Public Junior or Community College Construction Loan

Home Financing

**Homeless Centers** 

Industrial/Commercial/Small Business Development Loans

Maryland Housing Fund Loan

Maryland Rehabilitation Housing Loan

Museums/Zoo/Theater Loans

Outdoor Recreation Loan

Preservation of Historic Buildings

Private Colleges and Universities Capital Improvement Loans

River/Creek Dredging Loans

Shore Erosion Control Loans

Stadium Improvement Loans

State Public School Construction and Capital Improvement Loan

Supplemental Public School Construction Loan

Water Quality Loan.

### TOTAL SCHOOL ENROLLMENT

Appendix E

### Public School Enrollments 1981-2001

65981 88188 10823 4847 22298 13007 18936 2729 32210 31468 2530 105393 105393 10772 5408 12551 3257 4096 1776 1761 21131 12399 18109 4654 26031 5034 29658 2439 98588 2439 98588 5200 9751 17335 17850 4800 25645 5097 29018 27557 2369 97095 116112 PUBLIC SCHOOL HISTORICAL ENROLLMENTS 1981-1991 80228 8913 4381 20554 12063 17535 4814 25192 26587 26587 2318 94896 103395 5019 63802 79229 8392 4360 20041 12032 17058 4796 24616 5043 27830 2348 93158 11265 3252 3784 \$66395 4301 19600 12001 16747 4797 23733 5076 2745 24931 23715 24931 23715 3667 17355 11376 5069 11998 16666 4891 23396 5107 27303 2407 2407 2407 2407 2407 11757 63507 80964 7921 10742 3266 3679 83931 7775 4362 19194 12187 16761 5040 23141 5117 27712 23936 2459 90133 11293 4949 65530 87723 7677 4490 19736 12575 17354 5185 23343 5340 29819 24803 2657 94631 67516 PRINCE GEORGE'S COUNT ANNE ARUNDEL COUNTY OUEEN ARNE'S COUNTY DORCHESTER COUNTY HONTGOMERY COUNTY BALTIMORE COUNTY ST. MARY'S COUNTY JASHINGTON COUNTY REDERICK COUNTY ALLEGANY COUNTY CALVERT COUNTY CAROLINE COUNTY SALTIMORE CITY CARROLL COURTY YTHUCO TERRENCE CHARLES COUNTY JICOMICO COUNTY GARRETT COUNTY HARFORD COUNTY HOWARD COUNTY CECIL COUNTY TALBOT COUNTY CENT COUNTY

DATA PREPARED BY MARYLAND OFFICE OF PLANNING

### Public School Enrollments 1981-2001

PUBLIC SCHOOL HISTORICAL 1991 AND PROJECTED ENROLLHENT 1992-2001

		BALTIMORE CITY	ALLEGANY COUNTY	ANNE ARUNDEL COUNTY	BALTIMORE COUNTY	CALVERT COUNTY	CAROLINE COUNTY	CARROLL COUNTY	כבכנר כסתונו	CHARLES COUNTY	DORCHESTER COUNTY	FREDERICK COUNTY	GARRETT COUNTY	HARFORD COUNTY	HOWARD COUNTY	KENT COUNTY	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	OUEEN ANNE'S COUNTY	ST. MARY'S COUNTY	SOMERSET COUNTY	TALBOT COUNTY	WASHINGTON COUNTY	VICONICO COUNTY	MORCESTER COUNTY	STATE TOTAL
1991		105031	11071	18659	88188	10823	4847	22228	13007	18936	4735	27603	205	32210	31468	2530	105393	109772	2408	12551	3257	9607	17761	12938	5738	720671
1992																				12880						741240
1993																				13320						764410
7661		109050	11170	70760	96830	12530	5160	24980	14220	21030	2060	30310	2060	35640	37310	2750	120300	119380	6080	13820	3260	4430	18830	13590	6380	787930
1995		110650	11170	72220	09266	13070	5290	25830	14510	21830	5170	31520	5130	36720	38990	2790	124960	122570	6300	14410	3250	4590	19240	13830	6420	810220
1996	4	111330	11090	73580	102560	13480	5380	26760	14770	22610	5220	32520	5140	37700	40500	2810	129310	124990	6540	14940	3230	4620	19500	13950	6500	829020
1997		111000	11060	74630	104070	13910	2460	27550	15020	23380	5270	33310	5100	38520	41980	2840	131950	125780	6730	15100	3200	4650	19630	13970	6570	840660
1998		110220	10980	75280	105050	14220	5510	28230	15200	24060	5280	33900	5080	38730	43330	2850	133830	126480	6920	15210	3190	4680	19590	13950	6630	848370
1999		108640	10870	75610	105560	14510	5550	28830	15360	24660	5280	34430	2060	38730	44600	2820	135370	126550	7060	15250	3150	7630	19560	13970	0699	852720
2000		107330	10800	75.690	105380	14760	5530	29310	15430	25180	5260	34820	5050	38590	45720	2810	136750	126350	2200	15180	3140	7,010	19520	13950	0899	855010
2001		105800	10720	75680	104820	14080	5530	29880	15490	25730	5260	35200	5070	38400	06597	2770	137520	125800	7300	15120	3120	4550	19420	13840	0799	855250

ALL PROJECTED FIGURES ROUNDED TO NEAREST TEN PROJECTIONS PREPARED BY MARYLAND OFFICE OF PLANNING

MARYLAND PUBLIC SCHOOLS

## FACILITIES INVENTORY ORIGINAL CONSTRUCTION BY DECADE (1)

TOTAL	1,920,184 10,816,031 14,022,424 1,246,977 750,665 3,035,699 1,770,486 2,570,153 3,762,335 3,762,335 3,762,335 1,25,584 4,462,571 4,407,066 536,108 16,105,771 15,047,567 695,130 1,577,002 572,233 649,499 2,796,500 1,862,700 937,321	17 010/0/6/601
1990	16,425 38,205 169,658 212,843 208,126 188,610 249,323 4,205 336,738 119,643 561,386 1,593,114 260,419 71,428 51,910 8,520 25,057 28,195 5,985 15,010	212222
1980	20,937 721,466 346,908 182,294 22,492 443,601 117,235 177,268 84,108 536,792 82,095 428,419 499,136 2,218,788 535,021 58,248 119,248 119,248 108,663 94,104	21.1.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.
1970	558,376 5,115,093 2,651,459 638,993 938,577 1,142,220 1,069,112 1,069,144 2,199,381 2,199,381 2,199,381 3,480,050 4,310,207 140,705 635,052 409,283 231,214 1,261,381 448,987 472,947 5,922,184	
1960	309,171 3,201,866 5,813,275 119,319 194,413 443,421 447,835 814,201 1,080,205 1,127,425 863,318 7,444,943 7,444,943 7,444,943 7,444,943 7,444,943 7,444,943 7,444,943 7,444,943 863,318 7,444,943 863,318 7,444,943 863,113 86	
1950	431,217 1,481,035 3,531,603 43,003 124,483 424,959 513,618 234,985 232,380 735,215 205,676 133,539 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474 143,808 2,694,215 2,321,474	
1940	141,832 164,769 883,244 50,525 108,588 12,976 12,976 15,066 260,151 49,432 19,122 19,122 19,800 22,127 70,083 66,593	
1930 1939	333,914 46,833 250,501 10,700 229,284 146,706 12,648 133,396 5,634 36,990 63,103 222,415 114,134 168,500 1,042,563 2,899,285	
1920	100,600 16,613 300,956 35,500 10,070 30,150 22,400 11,937 16,936 1,401,977	
1910	7,712 32,820 13,686 13,686	
1900	42,000	
1899	30,151	
	Allegany A. Arundel Baltimore Calvert Caroline Carroll Cecil Charles Dorchester Frederick Garrett Harford Howard Kent Montgomery P. G. 's O. A. 's St. Mary's Somerset Talbot Washington Wicomico Worcester Balto. City	

NOTES: (1) Dates shown are for original construction and additions.

They do not include any renovations.
(2) All figures are gross square footage.

Public School Construction Program April 1993

MARYLAND PUBLIC SCHOOLS

FACILITIES INVENTORY
ADJUSTED AGE OF CONSTRUCTION BY DECADE (1)

TOTAL	1,920,184 10,816,031 1,246,977 750,665 3,035,699 1,770,486 2,570,153 3,762,335 3,762,335 4,462,571 4,407,066 536,130 15,047,567 695,130 1,577,002 572,233 649,499 2,796,500 1,862,700 1,862,700 1,862,700 1,862,700 1,862,700 1,862,700 1,862,700 1,862,700 1,862,700 1,937,6,010	
1990 1999	211,165 271,754 338,353 212,843 212,843 238,487 249,323 4,205 336,738 119,643 395,262 74,288 77,826 8,520 25,057 91,266 8,520 25,057 91,266 15,010 241,460	
1980	162,476 1,419,313 883,871 222,567 83,288 472,705 216,891 460,140 208,780 1,015,151 1,015,151 1,015,151 1,163,076 112,779 189,435 101,873 197,426 235,238 323,849 1,777,661	
1970	666,831 5,485,618 3,101,964 733,402 398,577 1,256,174 463,212 1,155,203 534,992 1,480,742 309,734 1,835,134 4,472,220 4,472,220 4,472,220 4,858,750 1,72,835 1,26,075 323,485 1,367,102 6,150,075 516,829 6,150,075	
1960	309,171 2,607,188 5,704,594 23,240 190,570 417,385 390,815 667,636 8,778 831,171 73,481 1,061,090 546,287 60,881 4,962,104 6,797,015 228,925 410,923 11,765 129,745 620,083 512,753 55,756 5638,881	
1950	417,609 914,479 914,479 4,400 78,230 376,778 396,228 17,727 30,332 73,594 162,076 537,540 8,000 48,412 1,216,760 1,686,565 92,617 177,534 177,534 177,534 177,534 177,534 177,534 177,534 177,534	
1940	40,316 64,481 440,514 50,525 98,572 12,976 2,071 222,195 131,996 49,432 66,593 1,239,036	
1930	112,616 10,637 184,251 140,098 73,990 7,148 4,717 5,634 36,990 14,500 148,781 85,530 61,687 776,857	
1920 1929	16,613 219,711 35,500 10,070 20,222 11,937 11,296 791,406	
1910	23,415 13,686 113,915 151,016	
1900	11,390	
1899	25,948 77,404 103,352	
	Allegany A. Arundel Baltimore Calvert Caroline Carroll Cecil Charles Dorchester Frederick Garrett Harford Howard Kent Montgomery P. G. 's O. A. 's Somerset Talbot Washington Wicomico Worcester Balto. City	

NOTES: (1) Dates shown are for original construction and additions and reflect adjutments for any renovations.
(2) All figures are gross square footage.

Public School Construction Program April 1993

### Appendix G

### MARYLAND PUBLIC SCHOOL CONSTRUCTION PROGRAM SUMMARY OF CIP REQUESTS FY '94 - FY '99 (\$000 omitted)

LEA	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	TOTAL
ALLEGANY	1,906	1,807	1,920	3,262	3,527	2,182	14,604
ANNE ARUNDEL	4,880	23,812	7,515	8,097	9,254	16,150	69,708
BALTIMORE CITY	11,475	12,024	9,133	11,342	12,184	16,976	73,134
BALTIMORE COUNTY	9,846	2,500	11,006	11,113	15,866	17,038	67,369
	2,010	_,	11,000	12,120	15,000	17,030	07,307
CALVERT	8,504	4,034	212	840	649	504	14,743
CAROLINE	137	750	1,158	837	-	-	2,882
CARROLL	5,556	16,092	15,372	3,669	6,748	6,641	54,078
CECIL	6,590	5,566	4,821	5,741	5,109	1,970	29,797
			,,,,,,	,,,,,	-,	2,5.0	-5,.5.
CHARLES	3,686	14,875	10,229	15,393	7,031	3,392	54,606
DORCHESTER	231	3,277	563	977	1,592	580	7,220
FREDERICK	11,949	3,635	3,596	3,641	7,078	8,611	38,510
GARRETT	_	_	1,360	-	-	-	1,360
			-,				1,500
HARFORD	5,754	451	4,655	3,256	3,246	3,261	20,623
HOWARD	37,225	10,946	6,894	2,733	6,894	9,807	74,499
KENT	395	300	150	100	-	-	945
MONTGOMERY	73,422	8,036	15,974	36,949	15,665	19,384	169,430
PRINCE GEORGE'S	8,067	6,637	18,000	20,735	7,806	1,000	62,245
QUEEN ANNE'S	2,067	-	8,669	1,400	1,195	_	13,331
SAINT MARY'S	1,982	16,790	1,258	2,844	8,584	2,525	33,983
SOMERSET		687	1,867	-	- i	-	2,554
TALBOT	1,389	3,857	711	3,562	1,100	-	10,619
WASHINGTON	7,001	-	874	1,141	5,160	-	14,176
WICOMICO	3,675	4,342	4,500	1,339	3,000	594	17,450
WORCESTER	549	2,025	184	172	116		3,046
Total State (1)	206.206	1.40 442	120 (21	120 1 12	104 00 1	440	0.00
	206,286	142,443	130,621	139,143	121,804	110,615	850,912
Total State Adj. (2)	206,286	149,565	144,010	161,072	148,053	141,178	950,164

<sup>(1)</sup> All projects at estimated July 1993 cost with no adjustment for inflation in subsequent years.

Source: Public School Construction Program (FY'94 CIP)

<sup>(2)</sup> Totals adjusted for inflation from July 1993 at 5 percent per year (compounded).

#### Appendix H

#### Public School Enrollments and Capacities

#### State of Maryland

#### A. School Age Population

The school age population (persons 5 to 17 years of age), which declined from 1,037,160 in 1970 to 895,256 in 1980 continued to decline by an additional 90,833 to 804,423 in 1990. Elementary school age population, however, has already started to increase and the school age population will continue to increase as the larger number of persons under five years of age enter school in the 1990s. There are 357,818 children under five years compared to just 272,274 in 1980, reflecting the "baby boomlet" of the 1980s and the "baby bust" of the 1970s.

#### B. Public School Enrollment K-12

	1970	1980	1990	2000*
K-5	446,296	308,998	356,577	396,070
6-8	203,527	175,738	155,397	207,860
9-12	240,036	249,416	181,908	241,260
6-12 Sp. Ed.	21,186	11,004	6,934	9,810
TOTALS	911,045	745,156	700,816	855,000

<sup>\*</sup>Based on 1991 actual enrollments

### C. Public School Capacities

	Existing Capacity *	Requirement Requir	uests: hal Capacity ADDITIONS	LEA Proposed Total Capacity**
Elementary	451,454	18,458	8,250	478,162
Middle	200,562	15,137	2,779	218,478
High	233,008	10,845	6,189	250,042

\* through 1/27/93 - planning or construction approved

\*\* through FY'99

Source: Maryland Office of Planning

February 18, 1993

#### SUMMARY OF OUTSTANDING LEA CONSTRUCTION REQUESTS FY 1994 THROUGH FY 1999 (\$000)

LEA	TOTAL	<u>A</u>	<u>B</u>	<u>c</u>
ALLEGANY	11,060	100		=
ANNE ARUNDEL	68,898	183	10,877	
BALTIMORE CITY	•	33,514	24,207	11,177
BALTIMORE COUNTY	61,887	26,249	35,225	413
	65,193	41,950	2,115	21,128
CALVERT	5,619	4,226	1 202	
CAROLINE	1,010	98	1,393	-
CARROLL	50,517	18,623	75	837
CECIL	25,610	22,901	11,509	20,385
	20,010	22,901	2,274	435
CHARLES	52,628	40.000		
DORCHESTER	6,961	48,069	4,559	-
FREDERICK	34,377	6,453	375	133
GARRETT		20,368	6,982	7,027
	1,360	-	1,360	
HARFORD	17,178	4,547		
HOWARD	72,016	62,738	127	12,504
KENT	750		6,545	2,733
MONTGOMERY.	167,042	750	-	-
	207,042	131,476	29,023	6,543
PRINCE GEORGE'S	79,209	36,744	37,173	5 000
QUEEN ANNE'S	12,021	4,116	37,173	5,292
ST. MARY'S	33,071	16,908		7,905
SOMERSET	2,554	2,554	-	16,163
		2,334		-
ALBOT	10,618	F 661		
ASHINGTON	13,632	5,661	4,957	-
ICOMICO	13,775	5,874	3,678	4,080
ORCESTER		4,339	4,936	4,500
	2,844	1,174	1,670	
OTAL STATE	809,830	499,515	189,060	121,255

#### EXPLANATION OF CODES

- A Expected to proceed. Appears to be eligible for funding. Possible questions will relate to project scope or capacity but not to eligibility. Project can be expected to proceed normally.
- B Questions, existing or potential. Significant questions exist or may arise as to project's local support, appropriate scope and capacity, advisability as currently proposed. Project could proceed normally once questions are resolved.
- C Should not proceed. Project is of questionable need, low priority, or doubtful eligibility.

#### NOTES

- 1. All amounts are in July, 1993 dollars as submitted in the LEA's FY '94 CIP.
- 2. Project amounts reflect requests for State-funded construction and systemic renovations. Projects in the FY '94 CIP approved for funding by the Board of Public Works on January 27, 1993 are excluded from this list.
- 3. The Board of Public Works approved additional funding on April 21, 1993 in the amount of \$42m thereby reducing the "A" column total to approximately \$460m.

Source: Maryland Office of Planning, February 18, 1993

#### Appendix J

## FORWARD FUNDED PROJECTS (\$000 omitted)

PRIORITY	PROJECT	TYPE	PROG.	LEA ESTIMATE
BALTIMORE CO				
3	Lutherville E.	LP/C2	В	1,735
4	Hillcrest E.	LP/C1	· c	410
CARROLL				
3	Piney Ridge E.	C1	В	2,547(1)
6	Sandymount E.	LP1	В	1,905(3)
FREDERICK				
2	Spring Ridge E.	C1	В	1 001(1)
		0.	ь.	1,881(1)
HOWARD 2	Nov. Morkow, II			
4	New Western H.	LP/C1	В	9,552(2)
5	Northfield E. Centennial Lane E.	C4	В	332(1)
6	St. John's Lane E.	C1	В	205 <sup>(1)</sup>
12	Bollman Bridge E.	C1	В	96(1)
13		LP/Cl	C	485
14	Glenelg H. Waterloo E.	LP/C3	В	2,858
15	Bushey Park E.	LP/C3	В	1,347
16	Laurel Woods E.	LP/C4	В	467
17	Hammond E./M.	LP/C1	В	266
18	Lisbon E.	LP/C1	В	1,415
19	Clemens Crossing E.	LP/C1	В	275
20	Swansfield E.	LP/C1	В	275
21	Thunder Hill E.	LP/C4	C	965
22	Phelps Luck E.	LP/C3 LP/C3	C	501
23	Worthington E.	LP/C1	C B	433 392
MONTGOMERY			27 A F	372
1	Caringhapale II			
3	Springbrook H.	LP/Cl	В	7,990(2)
4	Oakland Terrace E.	LP/C3	C	1,198
5	Burtonsville E.	LP/C1	В	1,451(2)
6	Forest Knolls E.	LP/C1	C	1,122
11	Monocacy E.	LP/C3	C	264
12	Sherwood H. Bel Pre E.	LP/C3	C	5,000
13		LP/C4	В	84
14	Sligo M.	LP/C3	В	3,539
15	Rock Creek Forest E. Burning Tree E.	LP/C2	C	538
16	Viers Mill Road E.	LP/C3	В	741
17	Walt Whitman H.	LP/C2	С	1,539
18	Brooke Grove E.	LP/C1	С	6,507
19	Watkins Mill H.	C1	В	2,281 <sup>(1)</sup>
20	Broad Acres E.	Cl	В	7,274(1)
21	Burnt Mills E.	LP/C3	В	326
22		LP/C3	В	1,034
23	Cloverly E. Cresthaven E.	LP/C3	В	1,244
24	E. Silver Spring E.	LP/C1	В	89
25	Gaithersburg M. #1	LP/C	В	409
26	Galway E.	LP/C3	В	2,175
27	Highland E.	LP/C1	В	29
28	Francis Scott Key M.	LP/Cl	В	730
29	Laytonsville E.	LP/C3	В	596
30	Luxmanor E.	LP/C2	В	983
31	Montgomery Knolls E.	LP/C1	В	609
32	New Hampshire Estates E.	LP/Cl	C	1,002
33	Olney E.	LP/C1 LP/C1	C	796
34	Paint Branch H.	LP/Cl	В	1,835
35	Rolling Terrace E.	LP/C1	C	2,437
		21,01		2,270

#### FORWARD FUNDED PROJECTS (\$000 omitted) (Cont'd)

PRIORITY	PROJECT	TYPE	PROG.	LEA ESTIMATE
MONTGOMERY				
36	Rosemary Hills E.	LP/C1	В	1,430
37	Stedwick E.	LP/C1	В	153
38	Twinbrook E.	LP/C2	В	700
39	Woodlin E.	LP/C1	В	244
40	Bannockburn E.	LP3	В	302 <sup>(3)</sup>
41	Beall E.	LP3	С	282(3)
42	Cedar Grove E.	LP1	В	1,151(3)
43	Clarksburg E.	LP2	C	421(3)
St. Mary's				
1	Park Hall E.	LP/C1	В	1,861(2)
Washington				
1	Boonsboro E.	C1	В	1,363 <sup>(l)</sup>
2 .	Eastern E.	LP/C1	С	2,442
		TOTAL		\$94,783

Approved for planning prior fiscal year, project requires pay-go funds (\$15,979,000).

Recommended for planning approval FY '94, Bond funds can be utilized (\$20,854,000).

LEA did not request construction funds in FY '94 (\$4,061,000).

Source: Maryland Office of Planning

December 11, 1992

#### Appendix K

### PUPIL-TEACHER RATIOS ELEMENTARY SCHOOLS

KINDERGARTEN GRADES 1-5/6 LEA AVERAGE HIGH OF LOW OF AVERAGE HIGH OF LOW OF Allegany 21:1 26:1 16:1 25:1 21:1 27:1 Anne Arundel 21:1 30:1 11:1 25:1 28:1 21:1 Baltimore 20:1 29:1 15:1 25:1 27:1 21:1 Calvert 25:1 27:1 20:1 25:1 28:1 21:1 Caroline 20:1 26:1 20:1 24:1 25:1 22:1 Carroll 20:1 29:1 15:1 25:1 26:1 21:1 Cecil 23:1 29:1 17:1 25:1 27:1 21:1 Charles 18:1 29:1 13:1 21:1 28:1 18:1 Dorchester 21:1 30:1 16:1 20:1 26:1 18:1 Frederick 23:1 29:1 16:1 20:1 25:1 21:1 Garrett 22:1 26:1 16:1 20:1 23:1 17:1 Harford 18:1 21:1 13:1 24:1 26:1 19:1 Howard 20:1 25:1 15:1 25:1 31:1 19:1 Kent 20:1 26:1 16:1 19:1 27:1 19:1 Montgomery 22:1 27:1 13:1 24:1 27:1 21:1 Prince George's 18:1 30:1 8:1 20:1 33:1 19:1 Queen Anne's 20:1 23:1-17:1 23:1 27:1 19:1 St. Mary's 21:1 26:1 16:1 20:1 26:1 12:1 Somerset 20:1 22:1 16:1 23:1 26:1 11:1 Talbot 18:1 29:1 13:1 22:1 26:1 17:1 Washington 20:1 26:1 15:1 24:1 27:1 22:1 Wicomico 17:1 22:1 13:1 24:1 26:1 22:1 Worcester 19:1 20:1 19:1 22:1 23:1 21:1 Baltimore City 26:1 59:1 9:1 27:1 60:1 15:1

Source: Maryland Office of Planning

May 5, 1993

#### Appendix L

#### Pre-Kindergarten Education

The chart below provides the historical and estimated numbers of children from a particular birth year through enrollment in public or private first (1st) grade. In reviewing the data, the following points need to be kept in mind:

- Assume that all first graders are 6 years old.
- Assume that all kindergarten students are 5 years old.
- First grade and kindergarten enrollments are those reported to Maryland State Department of Education as of September 30th and include both public and private schools.
- 4. First grade and kindergarten enrollments do not include special education students enrolled in schools.

Birt	h Year	4 Year Olds	5 Year Olds (K)	6 Year Olds (1st)
1984	65,274	65,467** (1988)	65,825 (1989)	71,638 (1990)
1985	67,985	67,385** (1989)	68,675 (1990)	72,496 (1991)
1986	69,524	70,558 (1990)	69,677 (1991)	71,311* (1992)
1987	72,501	70,376** (1991)	UA (1992)	UA (1993)
1988	76,414	72,716** (1992)	UA (1993)	UA (1994)

- \* Estimated. Based on 1992 actual public school enrollments. Increased by 13.9% to account for private school enrollments which have not yet been reported.
- \*\* Estimated. Based on actual number of 5 year olds and 6 year olds in 1990 with a total migration propensity for persons 0-4 factor applied. 1985-90 migration rates were used.

Source: Maryland Office of Planning
Public School Construction Program

# PRE-KINDERGARTEN EDUCATION\* Maryland Public Schools

COUNTY	1990	1991	1992
	PRE-K	PRE-K	PRE-K
	STUDENTS	STUDENTS	<u>STUDENTS</u>
Allegany	80	80	80
Anne Arundel	376	375	390
Baltimore City	4545	4933	4777
Baltimore	1080	1280	1800
Calvert	160	160	160
Caroline	38	31	40
Carroll	74	115	161
Cecil	214	214	220
Charles	200	240	320
Dorchester	234	233	213
Frederick	160	229	261
Garrett	52	44	88
Harford	416	420	397
Howard *	0	0	0
Kent	120	120	136
Montgomery	1286	1720	1718
Prince George's	1032	1294	1267
Queen Anne's	80	120	132
St. Mary's	313	320	340
Somerset	125	133	125
Talbot	80	100	80
Washington	301	331	358
Wicomico	80	146	119
Worcester	40	80	80
Number of Schools	11,086 307	12,718 329	13,262

<sup>\*</sup>Data from LEA's based upon 9/30 enrollment.

### TASK FORCE ON SCHOOL CONSTRUCTION

### NOVEMBER 12, 1992

## PREKINDERGARTEN - FACILITY IMPACT (estimate)

#### Assumptions

- (1) 12,000 pre-K students
- (2) All attend ½ day session
- (3) All classes are in groups of 20 children
- (4) All existing elementary schools are at or projected to be (within 5 years) at capacity
- OPTION 1 Added pre-K classrooms to existing elementary school buildings
- 12,000 (students)  $\div$  2 ( $\frac{1}{2}$  day session) = 6,000 FTE students (full-time equivalent)
- 6,000 (FTE) ÷ 20 (class size) = 300 classrooms required

  300 classrooms x 1200 sq ft (per room) x \$78.35 per sq ft =
  \$28,206,000 (total cost)
- OPTION 2 Place pre-K students in existing schools which creates a need for additional schools.
  - 6,000 FTE students ÷ 600 students per school = 10 new elementary schools
    - 10 schools x 54,000 sq ft (per school) x \$87.75 per sq ft = \$47,385,000 (total cost)

# Summary for 12,000 pre-K children (\$000 omitted)

	TOTAL COST	STATE* COST	LOCAL COST
OPTION 1 (Additions)	\$28,206	\$16,924	\$11,282
OPTION 2 (New Schools)	47,385	28,431	18,954
	Summary for 30,000	pre-K children	
OPTION 1 (Additions)	\$ 70,515	\$42,309	\$28,206
OPTION 2 (New Schools)	118,462	71,078	47,385

<sup>\*</sup>Assumes State average cost 60%

#### State/Local Shared Cost Formula

Pirnoses	ST			5 52 5 5 52 5 5 5 5 5 5	65 65 65 65	65 65	.75 .75 .75	
For Pr		II .	4	NOMM	๓๓๓๓	mmm4	4444	
NSE PROGRAM	3-YR AVG ROUNDED %		553	. 55 . 56 . 63		.66 .67 .68	.71	.52
OF BASIC CURRENT EXPENSE PROGRAM 1986 - 1988	3-YR AVG % ST SHR	.=====================================	.431 .532 .540	.546 .561 .628	.641 .642 .647 .652	.660 .666 .773	.708 .712 .739	.519
1	FY 1988 % ST SHR		.458 .430 .527	.545 .558 .637	.640 .643 .657	.659 .666 .683	.708 .711 .740	.517
ID AS A PERCENT	Y 1987 ST SHR	.036 .036 .239 .368	.431 .444 .528 .539	. 544 . 559 . 620	.636.	.657 .655 .679	.707 .712 .738 .739	.519
STATE AID	FY 1986 % ST SHR	.114 .189 .236 .366	.405 .541 .545	.549 .565 .622	.648 .642 .644 .646	.665 .667 .709	.708 .714 .739 .743	.522
	*CO *IO COUNTY *====================================	24 WORCESTER 16 MONTGOMERY 21 TALBOT 4 BALTIMORE	5 CALVERT 14 HOWARD 2 ANNE ARUNDEL . 15 KENT	18 QUEEN ANNE'S 17 PRINCE GEORGE'S 7 CARROLL 11 FREDERICK	9 CHARLES 22 WASHINGTON 13 HARFORD 23 WICOMICO	10 DORCHESTER 19 ST. MARY'S 1 ALLEGANY 8 CECIL	3 BALTIMORE CITY 12 GARRETT 6 CAROLINE 20 SOMERSET	· STATEWIDE NOTES:

M-1

The Basic Current Expense Formula is a State/local shared funding formula. The basic program amount under the formula is the product of FTE(enrollment) & a per pupil foundation amount. The formula distributes State aid per student inverse to local wealth per student. The " % ST SHR" reflects the amount of the basic program funded by the State.

Source: Md. State Dept. of Educ, Comptroller of the Treasury & Dept. of Assessments & Taxation

01/20/93 AIDPCT A1-Y48

1-21-50

Schedule of State Share Percentage of Basic Current Expenses

02/03/93

Printed: Revised:

LOCAL UNIT	FY 1985	FY 1986	FY 1987 	FY 1988	    FY 1989 	FY 1990	    FY 1991 	FY 1992    FY 1992	FY 1993	FY 1994 (ESTIM'D)	    FY 1995   (ESTIM:0)
ALLEGANY	0.670	0.670	6.00	0.683	0.696	11 0.710	11 0.718	11 0 713	11 0 707	11 0 704	11
ANNE ARUNDEL	0.550	0.541	0.529	0.528	0.523	0.516	0.504	767 0 11	0.00	0.700	0.099
BALTIMORE CITY	0.702	0.708	0.707	0.708	0.707	0.707	0.712	0.718	0.724	0.470	72.0
	7										0000
BALT I MORE	0.378	0.366	0.368	0.365	0.363	0.376	0.384	0.397	11 0.405	0 422	707 0
CALVERT	0.375	0.405	0.431	0.459	697.0	11 0.497	0.512	0 557	11 n 523	327.0	*2*·0
CAROLINE	0.745	0.739	0.738	0.740	0.742	0.745	0.741	0.750	972.0	0.744	0.741
CARROLL	0.616	0.622	0.627	0.635	0.636	0.635	0.630	0 427	0 418	===	==
CEC11	0.711	0.709	0.708	0.705	0.704	0.701	0.692	0 682	0.016	0.010	0.022
CHARLES	0.656	0.648	0.637	0.640	0.640	0.640	0.638	0.635	0.634	0.630	0.631
DORCHESTER	0.662	0.665	0.657	0.659	799 0	0 448	C77 0				
FREDERICK	0.620	1 0.627	0.630	0.638	759 0	0.530	0.00	00.00	0.659	0.660	0.656
GARRETT	0.703	0.714	0.712	0.711	0 718	0.000	0.00	0.609	0.606	0.607	0.608
						2	607.0	0.70	0.693	0.684	0.675
HARFORD	0.646	0.644	0.649	0.649	0.649	0.644	0.641	279 0	0 437	227 0	767 0
HOWARD	0.441	0.441	0.444	0.437	0.433	007.0	807 0	20.0	20.0	0.000	0.020
KENT	0.539	0.545	0.540	0.537	0.516	0.531	0550	0.400	0.400	0.410	0.420
							0.20	025.0	0.4%	0.480	0.4/3
MONTGOMERY	0.195	0.189	0.194	0.186	0.178	0.177	0.165	0.166	143	11 n 154	0 148
PRINCE GEORGE'S	0.565	0.565	0.560	0.557	0.566	0.566	0.574	0.568	795 0	0 564	275 0
OUEEN ANNE'S	0.548	0.549	0.544	0.546	0.537	0.544	0.523	0.523	0.514	0.513	0.521
ST. MARY'S	0.670	1 0.667	0.665	0.667	0.670	0.671	9,665	299 0	037		
SOMERSET	0.744	0.743	0.739	0.743	0.747	0.746	0.756	0 760	0.656	0.04	3 6
TALBOT	0.242	0.236	0.240	0.241	0.197	0.211	0.198	0.220	0.205	0.192	0.188
NOT THE PROPERTY OF THE PROPER	227 0	- 6/7 0									
O CONTOUR	630	2.0.0	2,000	0.044	0.648	679.0	0.650	0.652	0.646	0.654	0.650
מורסשורס	60.0	0.040	0.00.0	1 169.0	0.659	0.667	0.670	0.672	729.0	0.679	0.675
WURLESIER	771.0	31.0	0.065	0.033	0.030	0.028	0.026	1 750 0	0 045	0000	000

| A0C:0 | 01C:0 | 01C:0 | 1 C:0 | 1 C: This schedule was prepared by the MSDE Budget Branch on 01/20/92, Based on Calculations available for the fiscal years requested. The fiscal year 1995 figures were updated on 02/03/93 and represent rough estimates only.

It is unknown if these calculations match actual payments for those fiscal years.

Schedule of State Share Percentage of Basic Current Expenses Three Year Moving Averages

01/20/93 1-21-50

AIDPCT A1-Y48

LOCAL UNIT	2				
	FY 91 AVERAGE	TO T	TO '     FY 93     AVERAGE	TO   FY 94   AVG (EST)	≤
ALLEGANY	0.708	0.714	0.712	0.708	0.703
ANNE ARUNDEL	0.514	0.505	967.0	0.484	727.0
BALTIHORE CITY	0.708	0.712	0.718	0.725	0.729
BALTIMORE	0.374	0.386	0.396	0.408	0.417
CALVERT	0.493	0.522	0.531	0.532	0.521
CAROLINE	0.743	0.745	0.746	77.0	0.744
CARROLL	0.633	0.630	0.625	0.621	0.619
CECIL	0.699	169.0	0.682	0.672	0.665
CHARLES	0.639	0.638	0.636	0.633	0.631
DORCHESTER	0.665	0.664	099.0	0,660	0.658
FREDERICK	0.630	0.621	0.613	109.0	0.607
GARRETT	0.714	0.710	0.702	769.0	789.0
HARFORD	0.645	0.642	0.640	0.637	0.632
HOWARD	0.417	0.406	0.405	0.405	0.414
KENT	0.522	0.524	0.513	667.0	0.483
HONTGOMERY	0.173	0.169	-0.165	0.161	0.162
PRINCE GEORGE'S	0.569	0.569	0.570	0.566	0.565
OUEEN ANNE'S	0.535	0.530	0.520	0.517	0.516
ST. MARY'S	699.0	999.0	0.662	0.655	0.648
SOMERSET	0.750	0.754	0.758	0.760	0.758
TALBOT	0.202	0.210	0.207	0.205	0.194
WASHINGTON	0.649	0.650	0.649	0.650	0.650
WICOMICO	0.666	0.670	0.672	0.675	0.676
WORCESTER	0.028	0.030	0.042	0.064	0.085
TOTAL STATE	0.515	0.513	0.512	0.511	0.510

This schedule was prepared by the MSDE Budget Branch on 02/03/92, Based on Calculations available for the fiscal years requested. The fiscal year 1995 figures were updated on 02/03/93 and represent rough estimates only. It is unknown if these calculations match actual payments for those fiscal years.